BACKPAGE.COM'S KNOWING FACILITATION OF ONLINE SEX TRAFFICKING

HEARING

BEFORE THE

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

JANUARY 10, 2017

Available via the World Wide Web: http://www.fdsys.gov/

Printed for the use of the Committee on Homeland Security and Governmental Affairs



BACKPAGE.COM'S KNOWING FACILITATION OF ONLINE SEX TRAFFICKING—PART 2

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U.S. GOVERNMENT PUBLISHING OFFICE

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WASHINGTON: 2017

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APPENDIX

Scott Spear ji on behalf of Scott Spear Friday, June 22, 2007 1.09 AM Carl Ferrer criteria memos from last year personals criteria_floc. personals criteria_doc

That Sandy authored and we used in Phx and KC $\,$

This message contains information from Village Voice Media Holdings, LLC that is confidential and may be privileged and protected from disclosure. If you are not the intended recipient, please be advised that any use, dissemination, distribution or copying is strictly prohibited. If you think you have received this message in error, please contact me immediately a for et al. Thank you.

BACKPAGE.COM PERSONALS CRITERIA

* Ads need to flow as follows: Women seeking Men (approx. 8-9 ads) Men seeking Women (approx. 7-8 ads) Women seeking Women (approx. 7 ads) Wonlet seeking Wonlet (approx. 7 ads)
NSA (approx. 7 ads)
NSA (approx. 7 ads)
Missed Connections (approx. 5-6 ads)
ALL 6 categories must appear. I've even created some missed connections ads when

*HEADLINES ALL CAPS AND BOLD

*Age should NOT appear in headline

That number that reads in front of most headlines is the poster's age; do not include that in the headline. Please put the age AFTER the ad copy IF the age is not included in the body of the ad.

Example (do not include age at end): SWF, 22, seeking SWM, 22-40, educated, professional....(this does not need an age included at the end of the ad, the age is already included in the ad itself).

Example (include age at end): SWF seeking SWM, 22-40, educated, professional....(this DOES need the age at the end of the ad). Age 33.

Vary the ages that you put in print, but keep it towards the young-ish side.

*If they posted their picture online.
Include View pic online (bold) at the very end of the ad that has a picture posted online.

*Edit ads for length and spelling!
The online ad may ramble on a bit. Feel free to edit that down, delete sentences, etc, to make it flow as readable copy. People are not good spellers, please use spellcheck.

*Edit ads for explicit sexual language
Do NOT include any verbiage that has 'suck your...' or 'lick your...' You may edit the ad to read 'I enjoy oral' but do not include the vulgar language in the ad. This includes NSA ads. Take out anything questionable.

*Ads reading 'generous', 'sugardaddy', 'sugarmama' or anything to do with \$\$ These ads are generally being placed by professionals. Under no circumstances can those ads be printed in the paper.

*No personal phone #s or email addys should appear in print.
They may place their phone number and/or email address in the ad online, but omit it when placing it in print.

**MISSED CONNECTIONS ADS

Do not print the person's last name if it appears online.

Example: Looking for Scott Stevens – change it to looking for Scott S. (use last initial and in the content of the c

*You may have to post some ads yourself if you don't have enough for print.

Set up a hotmail or yahoo account. Post the ad as an anonymous email. You may use the same email account for posting several ads. You DO NOT have to respond to any of the replies that you get! Warning: you will receive some very sexual responses. DELETE, DELETE! I have two yahoo accounts set up for responses. If you want to use one of my yahoo accounts as the email you may do so. Email me at for the address.

FEEL FREE TO CALL ME OR EMAIL ME WITH ANY QUESTIONS!

- direct

on behalf of Carl Ferrer

From: Sent: To: Subject:

Your ads on backpage.com

We will be reviewing ads in violation of our terms of use.

Our terms of use: Post legal escort and massage ads here. Do not post obscene pics or any illegal service exchanging sexual favors for money.

Could you please clean up the language of your ads before our abuse team removes the postings?

Carl

1

Village Voice Media Adult Advertising and Posting Policy - Backpage.com

Village Voice Media (VVM OR "THE COMPANY") does not accept any advertisements for products or services that the Company or its managers or employees know to be illegal.

The Company accepts advertisements or postings in many categories that can generally be described as "adult" or "adult-oriented" goods or services. These categories include:

Dating Services

Phone Services including pay per minute and pay per call services

- Gentlemen's Clubs
- Adult bookstores
- Adult stores (such as erotic lingeric and sexually oriented goods)
 Licensed massage services
- Unlicensed massage services
- Escort services

It is VVM'S policy to remove any advertisements or postings from persons or entities of which VVM becomes aware are engaged in illegal activities in such postings or advertised products or services.

Any discussion about illegal activities associated with an advertisement or posting or initiated by an advertiser or poster, including but not limited to, any references to acts of prostitution or sex acts in exchange for money must result in an immediate rejection of any advertising or posting from such person or entity. Further, a textual record of such conversation should be kept including the context of the exchange and any pertinent information about the advertiser: name, phone number, business name, etc.

Employee's Name - Printed	Ci
Employee's Signature	Date
Manager's Signature	Date
This document contains information from Village Voice Media Holding Please be advised that any use, dissemination, distribution or copying is	

REV: 03/01/2008 backpage

From: Diana Thursday, March 20, 2008 10:27 PM on behalf of Diana.

Sent:

Triutsusy, Mariet 20, 2006 (10,27 PM
Tamara Nickel; Dan Hyer
Carl Ferrer; Adam
Heather
REVISED Adult Policy and Process for Backpage.com

Subject:

At-Will Form backpage.doc: Adult Advertising Policy Backpage.doc

Here is the REVISED Adult Policy for you to use with all current and newly hired employees into the backpage.com department.

 Receipt of Employee Handbook Form. All new hires, in any of these three departments, must sign their Department Specific form during orientation. This form serves as an acknowledgment that the employee has received, read and understood the following:

- b. Adult Advertising Policy-Backpage.com, and
 c. At-Will clause.
- Adult Advertising Policy Backpage.com and Form. In addition to the above, all new Advertising Policy during orientation. The Policy is NOT in the Employee Handbook, it is an addendum to the Employee Handbook.

Note: The forms should be collected during orientation and filed in the local Payroll

CURRENT EMPLOYEES

All employees, in these three departments, will have the Adult Advertising - Backpage.com Policy reviewed with them every quarter and MUST re-sign the policy each time. These forms should be collected and given to the Business Department for inclusion into the local Payroll

Managers should discuss this with their staff, have them sign the forms and turn them in to the Business Department. This should be done this next week and will be considered the second quarter (April, May and June, 2008) form. It should be re-done at the end of June for the third quarter (July, August and September, 2008) form and at the end of September for the fourth quarter (October, November and December, 2008) form.

Please share this with all of the managers in the sales departments as soon as possible.

Call me if you have any questions.

Diana Vice President Human Resources Village Voice Media LLC

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be advised that any use, dissemination, distribution or copying is strictly prohibited. If you think you have received this message in error, please contact me at Thank you.

2

s Category: Severity: Reproducibility: Date Submitted: Last Update: [Backpage.com] backpage.com minor always 2008-03-27 16:51 2008-03-27 16:51 ferrerc Platform: OS: OS Version: normal closed Product Version: Resolution: fixed none Fixed in Version: none Target Version: support Open Small Banned terms in adult Goal: prevent postings violating our TOU. I will store these terms here. I added to the Global filter: Blow pop blowpop Exact words: cim bbbj bj cim full service

 ∞

App.000008

ice:

There are no notes attached to this issue.

nation:

From: Sent: Friday, March 28, 2008 1:42 AM [Backpage.com 0004562]: User found a loophole around global filters Subject: A NOTE has been added to this issue. http://tasks.vvmedia.com/view.php?id=4562 Reported By: ferrero Assigned To: DesertNet Project: Backpage.com Issue ID: 4562 Category: Reproducibility: backpage.com always minor normal Severity: Priority: Status: assigned Task Type: Task Activity: support Open Task Scope: Small Source: Exp. Start Date: Exp. Comp. Date: Fiscal Quarter: Date Submitted: 03-26-2008 13:52 MDT 03-27-2008 19:42 MDT Last Modified: Summary: User found a loophole around global filters Description: Urban Pimp, posted this ad today in escorts... Yet, we banned his url and his email address from posting in escorts. - I confirmed is not whitelisted. - He purchased an auto repost today: http://admin.lasvegas.backpage.com/tools/object-editor?oid=oid%3A689920 Note the category on the invoice above is adult entertainment: escorts - His email address is blocked from posting in escorts by category key: http://admin.master.backpage.com/tools/object-editor?oid=oid%3A142962 - The url he used is also blocked: http://admin.master.backpage.com/tools/object-editor?oid=oid%3A143605 Two Possibilities here: 1. The auto repost link upgrade from the manage ad page is not connected to the global filter.

2. The auto repost link upgrade from the manage ad page is connected but is not using category keys. Hence, the client can get around the global filter blocks that use category keys. The auto repost link upgrade is using the category adult entertainment: escorts and "escorts" is not a category key.

For now, I will go ahead and block him from the section to see if he finds a work around that block by blocking his email address and urls from the entire section.

Then I add this category key Escorts (desertnet needs to do this I believe). Then I add this category key block to the term and email address.
I though he was only allowed to post in Personals, am I wrong?
Thanks, Andrea
http://admin.lasvegas.backpage.com/FemaleEscorts/_fuck_this_hot_horny_mature_woman_tonight_42 /classifieds/ViewAd?oid=575656
DesertNet - 03-27-08 18:30
Here's the scoop:
The ad was posted on:
Originally posted on Sunday, December 9, 2007 at 9:04 am
Which pre-dates the filters:
Email filter: Originally posted on Wednesday, January 16, 2008 at 2:09 am
Term filter: Originally posted on Saturday, March 1, 2008 at 8:46 pm
But most importantly, the original ad was a paid ad that was an ok paid ad at the time so it was whitelisted and remains whitelisted to this day. In short, the ad has been grandfathered in as the LSL won't purge whitelisted ads and the filters will only run if the text of the ad changes (new ads, renewed ads, or edited ad).
Note: we just added the originally posted date to the filter objects so you (and us) can easily view this information.
ferrerc - 03-27-08 19:26
It is good that whitelisted users by pass the filters.

It is probably NOT good for whitelisted ads to by pass the filters.

Here's why: We add blocks to prevent renewals of paid content.

- 1) We recently added blocks and a custom message for terms used for sex for money poisting in escorts(terms like "greek" and "BBBJ"). Since the old ads were paid, they are whitelisted as they should be. If they do not change the text, the ad will bypass the filter. I prevent new ads but I do not fix the old ads.
- 2) If a scammer runs multiple ads with multiple email addresses. We block a term or IP based on ads we caught, but miss the clean up of some paid ads, the scammer can renew this ad when it expires if he does not edit the text.
- 3) Or as in the case orginally noted: we want urban.pimp@gmail.com to stop over posting in escorts and get him to post in personals only. We can not stop him from renewing his whitelisted escort ads if he does not change the ad text.

Possible solutions:

rossure Sulutions:

1) For urban.pimp's ads: go to object editor for all ads and removing the whitelist. The risk here his ads will get community removed from reports.

Then, we have a charge back and support issue. Better to just stop him when he posts (by the way I have asked him to but these guys are tenacious. We just plan to make if difficult for him) For the sex term issue: We need to edit all escort ads with the term "greek", "BBBJ", etc. We don't like to edit ads.

2) Desertnet modifies the global filter to also look at whitelisted ads but not whitelisted users. I can not imagine a scenario where I would want a whitelisted ad to by pass a filter; but I can imagine where I want a whitelisted user to by pass a filter.

Doesn't the second solution seem easier?

DesertNet - 03-27-08 19:42

Sorry, my comment wasn't as clear as it should have been.

All new ads and all renewed ads will run through the filters regardless of the copy (whitelisted users excluded). The point being that the examples you mention all deal with ad renewals and in each of these cases the filters will run against the ad regardless if they change the copy or not.

In addition, all edited ads will be subject to the filter as well. This is to deal with someone posting a couch for sale and then attempting to change it to something that is

In this case, the urban pimp did not renew his ad. Instead he took his existing ad and added an auto repost to it. This is quite different then an ad renewal.

In my opinion we should not change the LSL or filters unless we see a definite problem, and ${\tt I}$ don't think this one particular ad is enough to indicate the sign of a problem.

If we do need a solution then it seems that the solution may be to re-analyze the ad if the user purchases an auto-repost upsell to an existing ad as that is what happened in this case therefore extending the life of his ad. If so, we could either deny the upsell or ban the ad at that moment.

Please let me know what you think.

Issue History			
Date Modified	Username	Field	Change
*********			**********
03-26-08 13:52	ferrerc	New Issue	
03-26-08 13:52	ferrerc	Task Type	=> support
03-26-08 13:52	ferrerc	Task Activity	=> Open
03-26-08 13:52	ferrerc	Task Scope	=> Small
03-26-08 13:52	ferrerc	Assigned To	=> DesertNet
03-26-08 13:52	ferrerc	Status	new => assigned
03-26-08 14:02	ferrerc	Summary	Users found a loophole
around global fi	lters => User 1	found a loophole around g	lobal filters
03-26-08 14:02	ferrerc	Description Updated	
03-27-08 18:30	DesertNet	Note Added: 0011706	
03-27-08 18:30	DesertNet	Assigned To	DesertNet => ferrerc
03-27-08 19:26	ferrerc	Note Added: 0011708	
03-27-08 19:26	ferrerc	Assigned To	ferrerc => DesertNet
03-27-08 19:42	DesertNet	Note Added: 0011710	
===========			****

From:	Carl Ferrer on behalf of Carl Ferrer
Sent: To: Subject:	Thursday, February 26, 2009 6:13 PM Joel Pollock Re: rules
 Advise users of Backpage won't m 	ntection per our attorney in SF. In other words: the posting rules. moderate ads. monsible for illegal ads.
Carl	
>>> Joel Pollock Hi Carl,	Z/26/2009 10:19 AM >>>
Can you explain th	ne reason for the statement below you have posted re Adult postings:
	AND MASSAGE ADS HERE
	exchange of sexual favors for money.
> >Do not use code was preece', etc.	words such as 'greek', 'bbbj', 'blow', 'trips to
>Do not post obsci	ene images.
	ent which advertises an illegal service.
	olying with the terms of use are subject to remova
Clearly everyone	on the entire backpage network breaks the rules above.
Please advise.	
Thanks, Joel	
,	
Joel Pollock Classified Manager NOW Magazine T. F.	

```
Dan Hyer on b
Sunday, May 17, 2009 9:20 PM
Andrew Padilla; Carl Ferrer
Re; Craigslist throws backpage under bus
                                                                 on behalf of Dan Hyer
From:
Sent:
To:
Subject:
Cool...thanks.
>>> Andrew Padilla 5/17/2009 1:30 PM >>>
1 started Martina and Amanda on Adult picture cleanup in all markets Friday. We'll continue this Monday. Zeke, Michael and Amanda will be working on Adult for as long as we need to.
We'll implement the text and pic cleanup in South Carolina only, on Monday as well.
We're setting ads as offline and saving the email addresses of the posters. I'll compile everyone's lists and send them to Dan once a day.
Andrew Padilla
Operations Manager
 Backpage.com | Village Voice Media
AM.
 - South Carolina markets are our first priority.
- Sex act pics remove
- In South Carolina, we need to remove any sex for money language also. Obviously, we do not have the man power to read text in other markets.
http://news.cnet.com/8301-1023 3-10242507-93.html
 > http://blog.craigslist.org/2009/05/target-practice/
Carl
 > Begin forwarded message:
>> From: Google Alerts
>> Date: May 16, 2009 4:37:38 PM PDT
>> Google News Alert for: backpage.com
>> So. Carolina eyes 'criminal investigation' of Craigslist
>> CNET News - San Francisco,CA,USA
>> Meanwhile, the "adult entertainment" section of
```

```
>>> greenville.backpage.com (careful with link, NSFW), owned by Village
>>> Voice Media, has over 60 ads for the ...
>>
>> This once a day Google Alert is brought to you by Google.
>>> Remove this alert.
>> Create another alert.
>> Manage your alerts.
>>>
>>
```

Carl Ferrer Thursday, June 04, 2009 8:35 PM on behalf of Carl Ferrer From: Sent: To: Subject:

Your postings were removed for violating the TOU on backpage

You had sex act pics in your postings. They are not allowed and ads will be taken down.

Please don't post sex act pics on our site anymore.

Thanks

carl

Andrew Padilla Dixon, Lily; Ferrer, Carl; Hyer, Dan 7/22/2009 8:35 AM Re: Forbidden terms in adult postings From: To: Date: Subject: I wouldn't put MILF on the list. I think it's mainstream and just descriptive. Here's a few more that I consider violations: backdoor lingam lingam
pegging
bukkake
french, italian, russian, (when part of a price menu)
multi pops
msog (multi shots on goal)
deepthroat
BnG (blow and go)
lolli or lollipop (when it's not a bachelor party show) For consideration: anything with "back" next to a price holes head doctor/specialist Andrew Padilla Operations Manager Backpage.com | Village Voice Media >>> Dan Hyer 7/22/2009 5:18 AM >>> I'm deferring to Andrew's expertise on this. Unless it's a biatant sex act or blatant term, I usually have to ask him anyway. >>> Carl Ferrer < 7/22/2009 1:19 AM >>> Scott asked me to create a list of terms that are forbidden. Could you all email me any other terms I have forgotten so I can put together a final list? Here's my start: BBBJ

Full Service
Greek
B)
CBJ
CIM
DATY
Full release
Blow pops
half and half
happy ending
MILF
rimming
trip to islands
Trip to the Mediterranean

```
Last Update:
                                                      Reproducibility:
                                                                                 Date Submitted:
Category:
                          Severity:
[Backpage.com]
                                                                                                            2009-10-04 18:07
                                                      always
                                                                                 2009-07-22 14:06
                           minor
backpage.com
ferrerc
                          Platform:
                          OS:
                          OS Version:
normal
                          Product Version:
closed
                          Resolution:
                                                      fixed
none
                          Fixed in Version:
none
                          Target Version:
support
Open
Small
```

Archive on adult content moderation topics

List of terms causing an ad to be pulled by staff when it comes to our attention:

backdoor lingam pegging bukkake

s

french, italian, russian, (when part of a price menu)

multi pops

msog (multi shots on goal) deepthroat

BnG (blow and go)

lolli or lollipop (when it's not a bachelor party show) anything with "back" next to a price

holes

head doctor/specialist BBBJ

Full Service

Greek

BJ

CBJ CIM

DATY

DATY
Full release
Blow pops
half and half
happy ending
rimming
trip to islands
Trip to the Mediterranean
trip to greece

ice:

nation:

There are no notes attached to this issue.

21

From; Sent; To:	Lily on behalf of Lily Tuesday, September 15, 2009 6:41 PM Andrew Padilla, Carl Ferrer
Cc: Subject:	Addin Padilia, Can French Michael Tamara Zeke Re: Why was this ad removed in San antonio
	old the users I talk to believe their ads were removed by competition, a read the email notification of removal due to TOU violations. These
Carl,	
I am restoring the ad	is as we speak.
	9/15/2009 12:34 PM >>> to make this too big of a deal. etting craig's reputation of removing ads for no reason.
Regarding minor compl - Users posting in es	laints in escorts: scorts are paying clients. If they look to young,
	ike minors, we can refer the email to Dallas for further verification. on making the complaint and
there is very little We had a complaint in	ll the user who posted the ad and get their side of the story. I suspect minor posting going on our site in adult because of the cc verification. In Cleveland once for a minor posting in escorts after an "uncle" and niece". It turned out to be a competitor trying
to get an ad taken de	own.
	mplaints in other categories like personals If we get a complaints in c does look to young, we
can make a judgement	call and remove the ad.
On Sep 15, 2009, at 1	10:23 AM, Andrew Padilla wrote:
> fair enough. will	this policy also apply to complaints in abuse?
> >>> Carl Ferrer	9/15/2009 10:21 AM >>> is not a competitor trying to flag them?
	ow and have to make judgement call from online
	18 to me, so the ads can run.
	A 000000

```
>
> Carl
> On Sep 15, 2009, at 10:12 AM, Michael Enriquez wrote:
> > A constant influx of email complaints accusing the poster of
posting
> > images of/pimping out minors.
> >
> > > > Carl Ferrer 9/15/2009 10:10 AM >>> > Ah,,,,we tracked it down. GME is Gregory Michael Enriquez.
> > Hey Michael,
> > Do you remember why we banned this client?
> > > > > Carl
>> > Begin forwarded message:
is her other email address. The filter
>>> signed GME.
9/15/2009 11:47 AM >>>
> > >> Who is removing the ads then? It might be fraud after reading
the
the
> > note
> > > > in admin about minors.
> > >
> > I need verification like law enforcement or multiple complaints
> from
> >> trusted sources. It probably was a competitor trying to punish
> > them so
> >> one anonymous email to support means we look at the pic and make
> > > > one constant and add the correct open carl. Don't remove ads without checking the correct open carl. Don't remove ads without checking the correct open carl.
>>> note : ads restored per carl. Don't remove ads without checking
> with
> > > carl.
                                                             2
```

```
\boldsymbol{>} \boldsymbol{>} \boldsymbol{>} Go ahead and restore the ads if they don't look like minors. Also
>> make
>>> sure we set one of their ads to the top today.
>>>> I got an email from support (not sure who) regarding this
> account.
>>> It just said that they had received numerous complaints about
the
>>>> client posting minors. That's the extent of my knowledge on this
>> >> user. I haven't removed any of the ads. They don't look like > minors
> >>> in the pics at least.
>>>>>> Carl Ferrer 9/15/2009 11:31 AM >>> >>> Someone removed it on Tuesday September 15, 2009 at 8:32 am, by >>>> Sat_backpage.
http://admin.www.backpage.com/classifieds/central/ManageAds?user=
>>>> I see in the note box for the account: exploiting minors Who >>>> wrote this note and what is the verification? They don;t
>> > wrote this note and what i
look
>> >> like
>> >> minors to me in the pics.
>> >> >>
http://admin.sanantonio.backpage.com/online/classifieds/ViewAd?oid=1979792
 > > >>
 http://admin.www.backpage.com/online/central/admin/AdModeration?queue=old&oid=33228792
```

3

From:

Sent: To: Subject:

Scott Spear Sunday, December 06, 2009 11:23 PM
Carl Ferrer; Steve Suskin
Presentation
BACKPAGE ADULT CONTENT TRAINING SESSION v3 with prompts 12-05-09.ppt;
BACKPAGE ADULT CONTENT TRAINING SESSION v2 12-05-09.ppt Attachments:

Gentlemen:

Attached is my final draft of the Adult content Powerpoint presentation (no not the slideshow). It is seven slides long. Please take one last look and see if there is anything we need to add or eliminate. I would like to get this to heather by Midday for cleanup and final version.

I also attached a second version with some additional notes and prompts. You can print this one out for your own use to follow in the presentation on Wednesday. I made the notes and prompts in a smaller font in red.

10 AM Thursday! I am paring down the slide show now to the 28 slides we talked about.

Scott

Scott Spear Executive Vice President Village Voice Media Holdings, LLC

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BACKPAGE.COM

ADULT CONTENT TRAINING SESSION

INTRODUCTION

Mission Statement:

Focus on the needs of our users. Be the best free classified site for all categories of postings.

- History of adult content in our company (scott 40 + years, exercising our First Amendment cights and those of our advertisers and readers. We have always had standards for edult content in print and content.

- cipht and those of our advertisers and readers. We have belong had standards for eduk content in print and online.)

 Legal basis for allowing adult content on BP (stave)

 First Amendment

 The CDA and Section 230 Interactive Computer Service

 Recent events and ruling

 BP Terms of Use and prohibition of illegal content (wide 2) (Stave)

 Adult Advertising Policy signed by all BP personnel (wide 4) (Storth mac)

 BP standards for adult content

 Voluntary standards.

 Graphics: sevy and erotic, not leved, lascivious, obscene or just sex. Language and graphics should not promote or encourage illegal activity

 Being good corporate citizens (see mission statement but its not just a no rules no holds barred environment)

 Adult Moderation pre-posting review queue fully implemented by Jan, 1 (Cart)

BACKPAGE TERMS OF USE

- 4. (a) Posting adult content or explicit adult material unless: (i) such material is specifically permitted in designated adult categories and permitted under applicable federal, state, and local law; and (ii) you are at least 18 years of age or older and not considered to be a minor in your state of residence;
 (b) Posting, anywhere on the Site, obscene or lewd and lascivious graphics or photographs which depict genitalia or actual or simulated sexual acts, as determined in the sole discretion of backpage.com;
 (c) Posting any solicitation directly or in "coded" fashion for any illegal service exchanging sexual favors for money or other valuable consideration.

ADULT ADVERTISING AND POSTING POLICY

• Insert PDF here

Language and Verbiage Standards

- Continuing and evolving glossary
 Terms and code words indicating illegal activities require removal of ad or words.
 Language and graphics should not promote or encourage illegal activity
- Glossary updated regularly by management in each city
- Examples
- · Customer relations and questions

$Graphic \underbrace{Standards}_{(Scott)}$

- The Terms of Use (state 3)
- Our voluntary standards: history and evolution of the standard. Playboy vs. Hustler:
- Graphics may be sexy and erotic, not lewd, lascivious, obscene or just sex.
- Goal: maintain our standards, eliminate graphics that violate TOU, keep the site interesting. (2 sides to the coin of restrictions)
- Slide show presentation (Scott, Carl, Steve)

Summary and Questions

- Can you eliminate one graphic and not others? (Scott)
- Can you eliminate some words and not others? (sout)
- Can you add or change words? (Stave)
- What can you say to customers? (car)
- Other questions
- Summary: If unsure ask your supervisor

BACKPAGE.COM

ADULT CONTENT TRAINING SESSION

INTRODUCTION

Mission Statement:

Focus on the needs of our users. Be the best free classified site for all categories of postings.

- Classified site for all categories of postings.

 History of adult content in our company
 Legal basis for allowing adult content on BP
 First Amendment
 The CDA and Section 230 Interactive Computer Service
 Recent events and ruling
 BP Terms of Use and prohibition of illegal content (slike 3)
 Adult Advertising Policy signed by all BP personnel (slike 4)
 BP standards for adult content
 Voluntary standards:
 Graphics: sexy and erotic, not lewd, lascivious, obscene or just sex.
 Language and graphics should not promote or encourage illegal activity
 Belling good corporate citizens
 Adult Moderation pre-posting review queue fully implemented by
 Jan. 1

BACKPAGE TERMS OF USE

- 4. (a) Posting adult content or explicit adult material unless: (i) such material is specifically permitted in designated adult categories and permitted under applicable federal, state, and local law; and (ii) you are at least 18 years of age or older and not considered to be a minor in your state of residence;

 (b) Posting, anywhere on the Site, obscene or lewd and lascivious graphics or photographs which depict genitalia or actual or sign of backpage com:

 - of actual of simulated sexual acts, as determined in the sole discretion of backpage.com;
 (c) Posting any solicitation directly or in "coded" fashion for any illegal service exchanging sexual favors for money or other valuable consideration.

ADULT ADVERTISING AND POSTING POLICY

• Insert PDF here

Language and Verbiage Standards

- Continuing and evolving glossary
 Terms and code words indicating illegal activities require removal of ad or words.

 Language and graphics should not promote or encourage illegal activity
- Glossary updated regularly by management in each city
- Examples
- Customer relations and questions

Graphic Standards

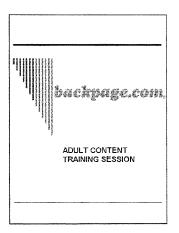
- The Terms of Use (Slide 3)
- Our voluntary standards: history and evolution of the standard. Playboy vs. Hustler:
- Graphics may be sexy and erotic, not lewd, lascivious, obscene or just sex.
- Goal: maintain our standards, eliminate graphics that violate TOU, keep the site interesting.
- · Slide show presentation

Summary and Questions

- Can you eliminate one graphic and not others?
- Can you eliminate some words and not others?
- Can you add or change words?
- What can you say to customers?
- Other questions
- Summary: If unsure ask your supervisor

Carl Ferrer on behalf of Carl Ferrer Monday, December 07, 2009 10:47 PM
Fwd: final adult presentations final adult presentations

From: Sent: To: Subject: Attachments:



App.000041



INTRODUCTION
Mission Statement:
Focus on the needs of our users. Be classified site for all categories of por Mission Statement:
Focus on the needs of our users. Be the best free classified site for all categories of postings.

- History of adult content in our company risons—40 years, nations, the how sliving back another for adult content to the content content t

App.000042



BACKPAGE TERMS
OF USE

1 4. (a) Posting adult content or explicit
adult material unless: (i) such material
is specifically permitted in designated
adult categories and permitted under
applicable federal, state, and local
law; and (ii) you are at least 18 years
of age or older and not considered to
be a minor in your state of residence;
(i)) Posting, anywhere on the Site
obscene or levid and baschious
graphics or photographs which depict
gentials or actual or simulated sexual
acts, as defermined in the sole
discretion of backpage, com,
(c) Posting any solicitation directly or
in 'coded' fashion for any illegal
service exchanging sexual favors for
money or other valuable
consideration.

App.000043

	buckpaga.com
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	 Most Profession of • Most Conservation and American American Profession • Expression Conservation
	· TOUR PRICE
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	Proprieta di Joseph Maria
	Establishment Service Service
	Seys Space

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LANGUAGE AND **VERBIAGE** STANDARDS

- Continuing and evolving glossary
 Terms and code words indicating illegal activities require removal of ad or words. Language and graphics should not promote or encourage illegal activity
 Glossary updated regularly by management in each city
 Examples
 Customer relations and

- □ Customer relations and questions



GRAPHIC STANDARDS (Scott)

- | The Terms of Use [mas-1] |
 | Our voluntary standards: history and evolution of the standard. Playboy vs. Hustier: | Graphics may be sexy and eratic, not lewd, lascivious, obscene or just sex. |
 | Goal: maintain our standards, eliminate graphics that violate TOU, keep the site interesting, a state to the solve of restrictions; | Stilds shown presentation (seen ent.)
- Slide show presentation (soot, carl, stove)



SUMMARY AND QUESTIONS

- □ Can you eliminate one graphic and not others? (5000)
 □ Can you eliminate some words and not others? (5000)
- □ Can you add or change words? (see)
 □ What can you say to customers? (see)

- ☐ Other questions
 ☐ Summary: If unsure ask your supervisor

App.000047

on behalf of Scott Spear

Scott Spear Wednesday, December 16, 2009 5:32 PM Carl Ferrer PPT

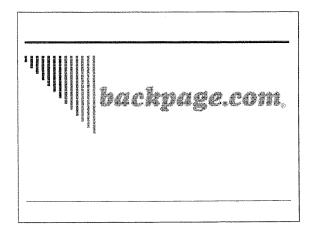
From: Sent: To: Subject: Attachments:

Staff Presentation-Backpage 09 Review and 2010 Presentation_Clean v6 final 12-07-09.ppt

att

Scott Spear Executive Vice President Village Voice Media Holdings, LLC

This message contains information from Village Voice Media Holdings, LLC that is confidential and may be privileged and protected from disclosure. If you are not the intended recipient, please be advised that any use, dissemination, distribution or copying is strictly prohibited. If you think you have received this message in error, please contact me immediately at Thank you.



App.000049



What a year!

A great year for staff and management of Backpage.com

Scott Spear

App.000050



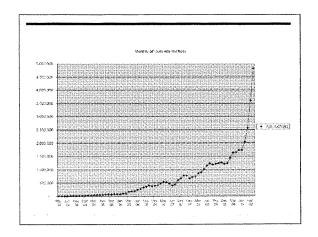
2009 Review

- ☐TREMENDOUS GROWTH see graphs
- ☐ THE CRAIGSLIST INCIDENT.
- □GROWTH IN:
 - Personnel
 - Development
 - Markets

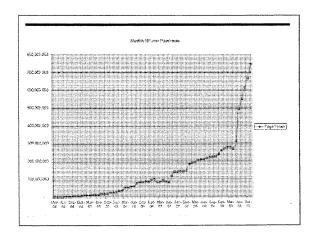
Scott

App.000051

52

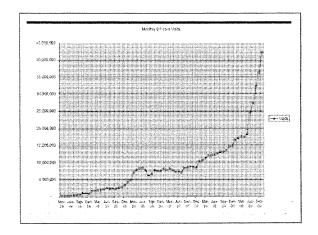


Scott

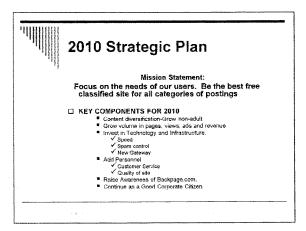


Scott

App.000053 5



Scott



Carl can cover this page talking about how users build our site and the power of repeat users.

Everything else on this slide follows.



Specific Initiatives for 2010 Plan

□ CONTENT DIVERSIFICATION

- Grow non-adult Content
 Reward Good Content
- Major SEO Upgrade
 Better Spam Clean-up
- Powered-By Strategy
- Affiliate and Loyalty programs: In house and external channel

We don't want to be branded as just an Adult Site. We want to serve the entire Universe of classified users.

Carl

App.000056



Specific Initiatives for 2010 Plan

☐ RATE ADJUSTMENTS ☐ TRAFFIC DEVELOPMENT □ ADDITIONAL MARKETS

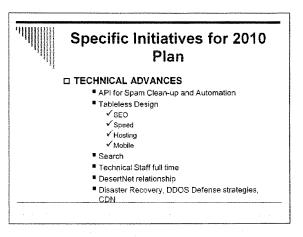
- Domestic-50 more markets

■ International √Q1-Q2 Research, Development and Set-up

√Q3 English Language Sites Launch

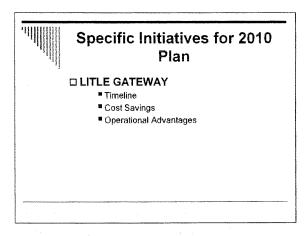
√Q4 Spanish Language Sites Launch

Carl



In Phoenix, Marshall will cover. IN Dallas, carl will cover.

App.000058



In Phoenix, Jess will cover. In Dallas, Carl will cover.



Specific Initiatives for 2010 Plan

☐ SEO, PR, & Publicity

- Mentioned in the same sentence as Craigslist in the mainstream and tech press
- Become recognized as the best free classified site on the web in all categories
- Strategies to accomplish this

Carl and Scott

App.000060



Specific Initiatives for 2010 Plan

□ PERSONNEL

- Increase Monitoring Staff to Full 24/7 Operation
- Increase Marketing Staff and Efforts
- Technical Integration with DesertNet
- Carl Ferrer Founder and Vice President
- Dan Hyer Sales and Marketing Director
- Marshal Presnel Technology manager
- Andrew Padilla: Operations and Abuse Manager
- Tamara Nickel: Office and Fraud manager
- Jess Adams: Business Manager
- Staff over 55 persons by Q3 2010.

Carl

App.000061



Specific Initiatives for 2010 Plan

□ ADULT MODERATION

- Set and maintain our own standards
- Continue as a Good Corporate Citizen
- Keep Site Quality Consistent With These Goals
- Jan. 1, 2010-Full Implementation

 Goal is all ads live after 15 minutes

√24/7 moderation

√Continued after posting inspections

Scott

App.000062

backpage.com, Adult Advertising and Posting Policy

Backpage.com ("BP") does not accept any advertisements for products or services that BP or its managers or employees know to be illegal.

BP accepts advertisements or postings in many categories that can generally be described as "adult" or "adultoriented" goods or services. These categories include:

Dating Services

Phone Services including pay per minute and pay per call services

Condemnes Obligation

- Gentleman's Clubs
 Adult bookstores
- Adult stores (such as crotic lingeric and sexually oriented goods)
 Licensed Massage Services
 Unlicensed Massage Services
- Unlicensed Mas:
 Escort Services

It is BP's policy to remove any advertisements or postings from persons or entities of which BP becomes aware are engaged in Illegal activities in such postings or advertised products or services.

Any discussion about illegal activities associated with an advertisement or posting or initiated by an advertiser or poster, including but not limited to, any references to acts of prostitution or sax acts in exchange for money must result in an immediate rejection of any advertising or posting from such person or entity. Further, a textual record of such conversation should be kept including the context of the exchange and any pertinent information about the advertiser or poster; name, phone number, business name, etc.

My signature indicates that I have reviewed the above and fully understand the contents, meaning, and

procedures outlined in this policy. Employee's Name - Printed Employee's Signature Date Manager's Signature

This document contains information from Revisionment, LLC time to unafidential and may be privileged and protected from distinuities. Please be advised that any one, discommentary, disturbation or copyring as strictly provided.

When a poster is placing ads in both the personals and escorts categories I can move the personal ads to the correct section but cannot email them. CORRECT

It a poster is posting in the personal section in several markets and is clearly sparning the site I can delete the acts and mark them as sparn but I do not email them. MARK AS SPAM, and GLOBAL DELETE IF NONE PAID, But I that's probably a waste of time. MAIN GOAL is to get users posting good content in right category.

If a poster is placing in the wrong section has no paid ads and is considered open in GM I move their ads and e-mail them. CORRECT.

Any TOU violations I send to Lily and do nothing with them, PERSONALS TOU VIOLATIONS - EDIF OUT BAD CONTENT, and move. If it's in Escorts, gehat to Lily,

Thank You For Posting

Your posting is live.

We moved your posting to the escorts category, which is a paid category, but you'll get much better response.

Enjoy your FREE ad.

Be sure to click the link below by December 17th for a discount for posting in multiple cities, upgrades, or to renew your ad.

http://www.backpage.com/15450741/gyrobase/central/PostNationalAd?introSeen=yes§ion=3 848891

Thanks again for posting! Bailey I Phone:
escort posting in the wrong section BD 1/12/10
phone and website ad posting in the wrong section - BD 12/15/09
body rub posting in the wrong section - BD 12/21/09
Moved ad to escorts section
Moved ad to body rubs section
Moved ad to male escorts section
Moved ad to Phone and website section
Moved ad to transsexual escorts section
http://admin.www.backpage.com/tools/object-editor?
http://admin.www.backpage.com/classifieds/central/ManageAds?user=
hermiterabb.net

cashhotties.com

jelloshotsplease.com

aim.com

unhappyhotties.com

yumyumasians.com

silly4love.com

starvingteenmoms.com

FreeDiscreetCheat.com

JumpYourBone.com

 $A 11\,T\,h\,e\,W\,a\,y\,D\,a\,t\,e\,s\,.\,c\,o\,m$

AllTheWayDates.com

ForFreeFlings.com

HalfPriceWhores.com

FirstTimeHookers.com

IncallsAndOutcalls.com

Tricks4Cheap.com

OffWork Strippers.com

Trigger Point Therapy and Neuromuscular

Hooker Hookups.com

HookerHookups.com

Free Local Adult Profiles.com

ForFreeFlings.com

BrandNewHookers.com

Allwhores.net

sati\$fied

NoCostHookUps.com

ASK CARL: When deleting urts from ads and stuff like that why when I look at an ad in admin is the url not liner but it is there when not in admin $\hat{\mathbf{q}}$

 $\label{lem:http://www.google.com/search?ht=en&source=hp&q=JumpYourBone.com+sile%3Abackpage.com/saq=1&aqt=&com-saq=1&aqt=&com-saq=1&aqt=&com-saq=1&aqt=&com-saq=1&aqt=&com-saq=&com-sa$

http://www.google.com/search?hl=en&g=site%3Abackpage.com+shiatsu+inut%3AWomenSeekM en&ag=&agi=&og=site%3Abackpage.com+shiatsu+inut%3AWomenSeekMen&cad=h

From: Sent: To: Subject:	Dan Hyer Friday, January 22, 2010 12:00 PM Carl Ferrer RE: Fwd: http://admin.colorado.backpage.com/tools/object-editor?oid=4358603
No, never legit. But	maybe his site has grown. Or he's posting for the girl.
That was back when th	e guy was trying to post in escorts repratedly.
I doubt there's many	of those messages. I'll change it.
From: Carl Ferrer Date: 1/22/2010 1:15 To: Dan Hyer Subject: Fwd: http://	AM admin.colorado.backpage.com/tools/object-editor?oid=4358603
I'm not sure I like f	atal error.
forbidden. Please rem	k broken maybe better off saying: "the link in your post is ove it in order to post"
The question is do an	y legit users ever post naughtreview links?
carl	
	Privacy m 0 17:12:33 -0700 (MSI) ws.com (adult) AD colorado This ad was blocked by filtering due to the
Ad: naughtyreviews.co	m (adult)
Fatal Error.	
Edit Filter: http://admin.www.back	page.com/tools/object-editor?oid=27310595

Redacted for	Privacy
View User Account: http://admin.www.back	page.com/classifieds/central/ManageAds?users Redacted for Privacy
100 Hot And Tempting Recent pics!	Hump Day Special $\sim \sim \sim \sim \sim \sim$ NO GAMES, JUST SATISFACTION! Real and

```
I'm one hell of a date gentlemen, so please don't doubt me! I have a very charming personality and enough sex appeal to keep you satisfied.
I just might be the girl your looking for.. Don't be shy, pick up that phone and give me a shot!
180% Independent /No Drama
Discreet/Safe Area
Easy Parking
No Rush/ Relaxed Service
180% Real and Recent Photo's (took them yesterday!!)

Redacted for Privacy
Incall 180HH/240HR Special Till 18pm; 128HH/220HR after 18pm Outcall 120HH/220HR Special Till
18pm; 140HH/240HR Special Till 18pm; 128HH/220HR after 18pm Outcall 120HH/220HR Special Till
18pm; 140HH/240HR after 18pm Quarter Hour Donation Avil Upon Request...
Well reviewed on Naughtyreviews.com (search Redacted for Privacy) in city
Denver)

Begin forwarded message:

> From: "Cody Gautier"

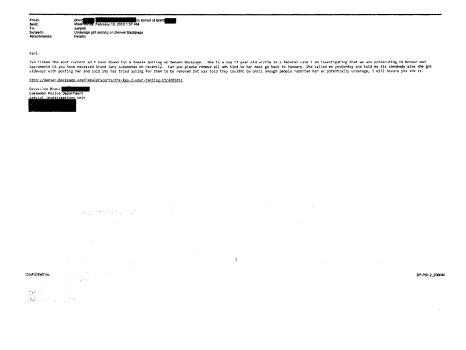
> Date: January 21, 2010 5:16:00 PM GMT-07:00

> To: "Carl Ferrer"

> Subject:

> http://admin.colorado.backpage.com/tools/object-editor?oid=4358603

> http://admin.colorado.backpage.com/tools/object-editor?oid=4358603
```



App.000069

Sent; (o:	Carl Forcet Monday: April 25: 2010 4; 15 PW Carl Fender Adult chaps up tasks			
 Frequent yielators Backpage staff has We forced the disc 	e ods on a 24/7 basis 2. We also have staff reviewin have their poetings removed with no refunds. So testified in a foderal proceedion of a an individual laken now any tire you go moult/personals categorie Al we have delayed edities ad or ads going live to gi	menas are processed daily. al posting under-aged user. 5.	images or bad test will have the image removed or the	o offending text removed.
User complaints 1. Ads take two long 2. Users sometimes was 3. we get some hate w	to puderate. et vefunds ali and customen service phone ralis.			
Additional Stops 1. Images are very cl	ean. Pext could be cleamed up more as users become #	ore creative.		
2. Craig provides a 1	ink on abult category page: { report suspected explo	itation of minors } http://www.craigs	list.org/about/help/exploitation of minors	
	38 W 5 TV			
			*	
		2.00		
ONFIDENTIAL				BP-P81-2, 0001

rom; ent: o; ubject;	Alex Wednesday, August 25, 2010 4:14 AM Carl Ferrer Re: CL proposal (DRAFT)
`arl,	
-211 24	
his is moving us in th onfirm. Thanks	e right direction. We'd like to operate on a month to month as discussed. Please
Mex	
do not have thus fully	at 12:39 AM, Carl Ferrer Supproved yet. It's a draft and I need to run it by one more VIP banner ads bring you back a lot of revenue and there is little or no development to
t seems to me it would	be worth testing this out before pulling the trigger on an uncertain alternative.
	the control of the co
Carl	The Market of the Charles of the Additional Control of the Additional
Begin forwarded mess.	age:
	I MARK NO AND ARRANGE CORRESPONDE
Hey Alex, I have outlines conce	erns and possible solutions below:
1. Revenue	
a. We can add banne - You get 100% of the	r ads to Atlanta and other CL markets. The revenue
- You can secure the	highest possible CPM from these pages. million page views (additional \$300k per year or \$25k a month at \$5 cpm)
b. Splits on existing	markets
* Proposed: 80/20 o	revenue from your URL in revenue from your URL (You would now get 80% of every transaction on your URL, to get a 30% bump on your current revenue split.
	this proposal of an 80/20 split and banner ads attractive enough to test us on a non- ified solution for your users in DC and Chicago.
2. Content control	
	e concerns about displaying only legal content.
 We currently staff 20 * Remove any sex a 	O moderators 24/7 who do the following: ct pics in escorts
*	1
	App.000071

- > * Remove any illegal text in escorts to include any code words for sex act for money.
 > * Backpage is responsible for legal issues resulting from content unless that content originated from the newspaper as a print ad export.
- > b. Current: you can eliminate an entire section (like adult or personals)
- > c. Proposed: we could build a method to eliminate single categories" escorts".

 This category delivers a lot of page views that can be sold to topless bars at a high CPM.
- > d. New categories
- I'm happy to do a category review with your staff. We recently added strip clubs after a customer request.
 Because we are template driven, categories must be global.
- > 3. Termination date
- Aug 28th is date where you may give us notice of termination.

 We could extend this deadline for you with requiring an extended agreement.
- > Attached is the hosting report for past 30 days with CL url.

on behalf of Andrew Padilla

From: Sent: To: Cc: Subject:

Andrew Padilla Wednesday, September 01, 2010 5:11 PM Dan Hyer Carl Ferrer new moderation rules

Hey Dan,

Scott had a meeting with us today and he's pushing me hard to get the site as clean as possible in the next $7\,\mathrm{days}$.

I'm empowering the Phoenix staff to start deleting ads when the violations are extreme and repeat offenses. When we delete ads, we're going to send an email from Sales. When we ban a user, we need the ban to stick for at least 30 days. When we Delete from the queue, we'll use Delete and Notify.

We'll do everything to notify the users so it's not a total snub and we'll do everything we can to affect only the worst apples.

Andrew Padilla
Operations Manager
Baskpage.com | Village Voice Media

on behalf of Carl Ferrer Carl Ferrer From: Saturday, September 04, 2010 10:25 PM Will Update on priorities Sent: To: Subject: Craig killed his adult section last night in all US markets. It is an opportunity for us. Also a time when we need to make sure our content is not illegal. So, we have two priority projects PPT Confidentially: I plan to get a hold of Litle and get an extension. I will send the request I want to stay on course, but I don't want to take any action that hurts us. I would guess our solution will be buggy.

I am not sharing the time extension info with our VVM developers. Please keep this info between you and me. Tuesday. It will get approved. Adult changes this weekend We will be under close scrutiny by media, craig, and AG's next week. I have to move quick. Change to posting Interstitial
 Scott Spear said he hopes you could have someone make this change over the weekend.
 You could pay someone time and half and bill us for it. The task is below: http://tasks.vvmedia.com/view.php?id=11652 MODERATION QUEUE CHANGES I would like to schedule this stuff to do Tuesday after getting some feedback from you. Goal: Add progressive rights, get more ads into the queue and allow our moderators to focus on content with the highest probability of violating our terms of use. Significantly increase the ads in compliance to be at least 99%. We will have the following choices in moderation queue: "new ads", "other", "edited ads" "new ads with links" 1. "new ads" link - Ads in this link have a status of "Under Review". Criteria: - User create on date is less than 120 days (we will increase this date in the future)
- OR user tagged as "forced moderation"
- OR user tagged as "Edit Lock out"
- AND in categories: females escorts, male escorts, body rubs, domination, stripper, or - exclusions:

 Phone or adult job ads print ads imported ads posted in Canada, Mexico, or Caribbean users with setting marked as "bypass moderation"
 Possible other exclusions: * renewed ads where text did not change * ads moved to top where text did not change * auto repostings where text did not change.
New Fields and Definitions: - Forced moderation: It is a setting on a user object that any ads posted by the user are forced into moderation regardless of the users "CreateOn Date". Forced moderation [] Yes [] No
- Edit Lock out: It is a setting on a user object that any ads posted by the user are not allowed to edit ads in these categories females escorts, male escorts, body rubs, domination, stripper, and transvestites. When a user attempts to edit an ad in these categories with "Edit Lock Out" set as "yes", they get the following message: "Oops! You can not edit your adult posting at this time." Edit Lock Out [] Yes [] No
- Html in Adult Lock Out: It is a setting on a user object that any ads posted by the user are not allowed to use html in ads in these categories females escorts, male escorts, body rubs, domination, stripper, and transvestites. This is to prevent a user from using slide shows, images from 3rd party sites, etc. When a user attempts to add html in these categories, they get the following message: "Oops! You can not add html to your adult posting at this time. Please use standard text." Html in Adult Lock Out: [] Yes [] No
Concerns: - The New Ad queue works for single admin user and it may be too big with postings to be reviewed. It could cause a ling delay for ads to be released. We may need a better solution for multiple admin users. Our plan is to use categories to release ads, but we may need to load balance New adsin to New Adsi, New Ads2, and New Ads3. - We would like a report or alert on how we are doing. We do not want to screw up our relationship with paying clients. Our staff needs to release ads in 20 minutes or less. * Send an alert or email is any ad is linger than 20 minutes stuck in moderation * create a report of ads released (Time date: ad posted /under review, Time/Date Ad released, Time it took in minutes, Admin user who updated the ad to live status. * Send an email alert on Users with ads in the queue longer than 30 minutes.
2. Other- Ads in this link will be an alert but the ad will be live- Staff will need to review the "other" after reviewing the "new ads".
CRITERIA: - User create on date is greater than or equal to 120 days - OR, users with setting marked as "bypass moderation" - AND user NOT tagged as "Edit Lock out" - AND in categories: females escorts, male escorts, body rubs, domination, stripper, or transvestites.

2

EXCLUSIONS
* Phone or adult job ads

* print ads imported * ads posted in canadian, mexico, or Caribbean * renewed ads where text did not change * ads moved to top where text did not change * auto repostings where text did not change. 3. Edited ads
It is currently good the way it is. 4. New Ads with links 4. New Ads with links
We use the current "all alerts" to have a staff member catch ads links=ing to virus ridden sites, porn, competing escort sites, and other bad users.
Only Include an alert of any ad with a link.
the link is more of an archive. We will not use it to release ads. 5. The current All alerts We are not sure we need this any more. Please remove it. 6. The current Old ads We are not sure we need this any more. Please remove it. Custom Error Message for user email address when banned Add Custom Message (forbidden text) to FilterEmail
 Custom messages aka forbidden text, currently does not exist as an option under the email term filter.
- Frequent offenders will have their accounts banned for 30 days. We need to give them a custom message.Add Forbidden Text to FilterEmail Filter term option Add an Action to the filter terms Current Actions: Ban | Flag as Spam Proposed: Ban | Flag as Spam | Strip out from post (adult only) Option 1: - If "Strip out from post", the ad will post but the term will stripped out of the final $\protect\$ post. The user will than edit their post and insert the banned term thinking that they had made a The user will than could discover mistake.
 The ad when re-submitted and will simply strip out the banned term.
 Hopefully, users will give up. It is simply a speed bump.
 we could sent an alert to abuse

- The ad when re-submitted and will simply strip out the banned term 5 minutes later. 2

Option 2:
- If "Strip out from post", the ad will post but the term will stripped out 5 minutes after being edited.
- The user will than need to edit their post and insert the banned term thinking that they had made a mistake.

- Hopefully, users will give up. It is simply a speed bump. we could sent an alert to abuse $\,$

Why do we want to do this?
When we strip out banned adult term like blow job, it is better to just stripped it out than to telegraph our move by giving them an error message or to have staff remove the banned content only to see it replaced.

From: Carl Ferrer on behalf of Carl Ferrer Sent: Saturday, September 04, 2010 11:02 PM
To: Andrew Paddia
Cc: Scott Spear, Dan Hyer
Subject: Fwd: terms and services
Attachments: CHILIB1-12793081-v1-Backpage list of escort services terms.DOC; _txt

Tasks:
1. Andrew:
Could you add to the banned list terms on the attached word doc and sent to me Monday 8 AM.
2. Dan
Tues AM, we pull all staff off marketing and have them do moderation. I will be there to train.

We will start at 8 AM sharp and quit at 11 AM. It will be a daily routine for awhile. We'll coordinate with Andrew to avoid duplication of effort later.
Goal is to make sure we are clean when the many new users check out our site.

3. Scott
I scheduled the change on the interstitial. Sent Wil email to expedite.
Working on plan to add progressive rights to edit or use html.

1

Carl Ferrer Saluiday, September 04, 2010 11:02 PM Andrew Padilla Scott Spear, Dan Hyer From: Sent: To: Cc: Subject: Fwd: terms and services CHILIB1-12793061-v1-Backpage list of escort services terms.DOC; _.txt Attachments: Tasks:
1. Andrew:
Could you add to the banned list terms on the attached word doc and sent to me Monday 8 AM.

2. Dan Tues AM, we pull all staff off marketing and have them do moderation. I will be there to $\frac{1}{2} \left(\frac{1}{2} \right) \left(\frac{1}{$

We will start at 8 AM sharp and quit at 11 AM. It will be a daily routine for awhile. We'll coordinate with Andrew to avoid duplication of effort later.

Goal is to make sure we are clean when the many new users check out our site.

3. Scott
I scheduled the change on the interstitial. Sent Wil email to expedite.
Working on plan to add progressive rights to edit or use html.

From:

Sent: To: Cc: Subject:

andrew padilla
Monday, September 06, 2010 12:31 AM
cart ferrer
dan hyer; Scott Spear
Re: Fwd: terms and services
CHILIB1-12793061-v1-Backpage list of escort services terms-adp.DOC Attachments:

Carl:

My additions are at the end of your list. These additional terms are currently filtered in their common forms and removed manually in their variations.

I'm not sure how the document formatting will look (I'm stuck on open office). Let me know if I should resend as another file type.

Andrew Padilla Operations Manager Backpage.com? Village Voice Media

>>> On 9/4/2010 at 3:01 PM, Carl Ferrer < writers wrote:
Tasks:
1. Andrew:
Could you add to the banned list terms on the attached word doc and sent to me Monday 8 AM.

2. Dan
Tues AM, we pull all staff off marketing and have them do moderation. I will be there to train.
We will start at 8 AM sharp and quit at 11 AM. It will be a daily routine for awhile. We'll coordinate with Andrew to avoid duplication of effort later.
Goal is to make sure we are clean when the many new users check out our site.

3. Scott I scheduled the change on the interstitial. Sent Wil email to expedite: Working on plan to add progressive rights to edit or use html.

>> - » >> , , , ...

The following terms, service and code words are not allowed in the adult escort category on backpage.com as they imply a sex for money transaction or relationship which is a violation of Backpage.com's Terms of Use. Posts containing these terms will be removed. Continued use of these terms by a poster will result in that person being banned from using the site:

```
backdoor
lingam
pegging
bukkake
french, italian, russian, (when part of a price menu)
multi pops
msog (multi shots on goal)
deep throat
oral
anal
Brig (blow and go)

lolli or lollipop (when it's not a bachelor party show)
anything with "back" next to a price
holes
head doctor/specialist
Full Service
 Greek
 BJ
CBJ
CIM
DATY
Full release
Blow pops
half and half
happy ending
rimming
quickle
trip to islands
Trip to the Mediterranean
 trip to greece
 speak(s) foreign languages
 barely legal
 holes
 cum
 pussy
fuck
cunt
```

blow

Note: there are many creative spellings for the terms above which are too numerous to include in any list; but these terms, however they may be spelled, will be considered "off limits." Also,this list may be amended from time to time and is in no way meant to be a limitation on what terms may be banned or excluded by backpage.com.

The following services and terms are examples of terms that have been deemed to be acceptable in the past in the adult escort section of backpage.com. This list may be amended from time to time as other services and terms that are acceptable under our Terms of Use become known to us; at the same time, backpage.com reserves the right to delete any term or terms seen on this list, as the same may be amended from time to time.

Massage
Body rubs
Strip tease, stripping and strip shows
Dancing
Friendship
Bachelor and bachelorette parties
Companionship
Escorts
Dinner or lunch date
Two Girl show
Exhibition
Nude or nudity
Overnight stay
Travel companion
modeling

12793061\V-1

support Tuesday, September 07, 2010 11:38 PM From: Sent: To: Subject: cari [Backpage.com 0012314]: Custom Error Message for user email address when banned A NOTE has been added to this issue. http://tasks.vvmedia.com/view.php?id=12314 Reported By: Assigned To: ferrerc DesertNet Project: Backpage.com Issue ID: Category: Reproducibility: 12314 backpage.com always Severity: minor normal Priority: Status: assigned Task Type: Task Activity: Task Scope: support Open Small Source: Exp. Start Date: Fiscal Quarter: 09-07-2010 14:16 MST Last Modified: 09-07-2010 15:38 MST Last Modified: Custom Error Message for user email address when Summary: banned Description: - Add the field "Forbidden Text" to FilterEmail to allow us to place a custom message. - Custom messages aka forbidden text, currently does not exist as an option under the email term filter. - We plan to have frequent offenders of adult TOU will have their accounts banned for 30 days. - We need to give them a custom message like this: Sorry your account was suspended for for 30 days for violating the posting rules and terms of use." DesertNet - 09-07-10 15:38 This field has been added but the displaying of the message is not functional yet. To help us with development, can you fill in the ForbiddenText on a few FilterEmail objects? Once in place, please let us know what email addresses they were and we'll work on the remaining development for this task.

Thanks!

Issue History			
Date Modified	Username	Field	Change

09-07-10 14:16	ferrerc	New Issue	
09-07-10 14:16	ferrerc	Task Type	=> support
09-07-10 14:16	ferrerc	Task Activity	=> Open
09-07-10 14:16	ferrerc	Task Scope	=> Small
09-07-10 14:17	ferrerc	Assigned To	DesertNet
09-07-10 14:17	ferrerc	Status	new => assigned
09-07-10 15:38	DesertNet	Note Added: 0036804	
			~~~~~~

Category:	Severity:	Reproducibility:	Date Submitted:	Last Update:
[Backpage.com] backpage.com	minor	always	2010-09-07 16:14	2010-11-28 10:25
ferrerc	Platform:			
ferrerc	OS:			
high	OS Version:			
closed	Product Version:			
	Resolution:	fixed		
none				
none	Fixed in Version:			
	Target Version:			
support				
Open				
Small				

Add an Action to the filter terms

Current Actions: Ban | Flag as Spam

s

Proposed: Ban | Flag as Spam | Strip out from post (adult only)

- If "Strip out from post", the ad will post but the term will stripped out 5 minutes after being edited.
- The user will than need to edit their post and add the banned term. They will think they made a mistake.
- The ad when re-submitted, will simply strip out the banned term 5 minutes later.
- Hopefully, users will give up. It is simply a speed bump.
- we could sent an alert to abuse
- we could make the time random 1,3,5,7,or 10 minutes to prevent a whack-a-mole issue.

Why do we want to do this?

When we strip out banned adult term like blow job, it is better to just stripped it out than to telegraph our move by giving them an error message o remove the banned content only to see it replaced.

We would only use this for the targeted categories like escorts, TV, body rubs, etc.

ice:

Notes	
(0036879) DesertNet	Note: the Action value has been added to the Filter Term class and you can start setting up Filter Terms to use th
2010-09-09 14:40	That said, they will only presently get flagged to have their term stripped out as we have not completed the work minutes later strip request. We'll let you know once this is in place.
(0036881) DesertNet	If a user is set to "Bypass Moderation" should they be allowed to get around this?
2010-09-09 14:47	Our opinion is no and that if a term has been flagged to be stripped out, then that's a policy for everyone.
	Is this stance and understanding correct?
(0036883) ferrerc	Yes. A strip out is global.
2010-09-09 15:02	(I suppose an exception could be made if we whitelisted the user.  Though, I can not readily come up with a reason for an exception.)
(0036897) DesertNet	We've noticed that you have been setting up Filter Terms as "Strip Term From Ad" which is great as its giving us data.
2010-09-10 13:11	However, we also noticed that you are filling out ForbiddenText values on these. For example:
	http://admin.www.backpage.com/tools/object-editor?oid=75986372 [^]
	We wanted to point out and confirm that the Forbidden Text will not display to the user as the intent of the strip t run 5 minutes after the ad saves which means that the ad did save and wasn't banned or blocked in any way. The like flag as spam and happens after the fact to avoid people just spelling the word differently or putting spaces in
	Is this correct? If so, we'll add a rule to the FilterTerm class to provide clarity that the ForbiddenText shouldn't be

	Thanks!	
(0036898) padillaa	Right. I just switched over the action on a lot of terms and didn't bother deleting the Forbidden Text. Only a hand actually new.	
2010-09-10 13:14	I can clear the Forbidden Text on all of them if it'll help.	
(0036899) DesertNet	Thanks Andrew. No need to clear the Forbidden Text. I just wanted to make sure that everyone knew that it wou the public.	
2010-09-10 13:17	Thanks!	
	On a related note though, when we strip out the text should we just strip it out or should we replace it with somet	
(0036900) p <u>adillaa</u> 2010-09-10 13:19	It should just be stripped out.	
(0037005) <u>DesertNet</u> 2010-09-15 18:32	This feature is now live.	
(0039019) ferrerc	. We need to get terms stripped out faster. This will make our life much easier for our moderators.	
2010-11-10 20:45 (edited on: 2010-11-10 20:46)	The only disadvantage to this is Dan uses it to remove the URLS of spammers. He likes the randomness of the s execution. In the interest of simplicity, lets try to hit to so the goal below. If it causes Dan problems, then we can the strip out where some terms are delayed and others are more immediate.	
	Our goal is to strip out a term after the customer submits the ad and before the ad appears in the moderation queu	
(0039151)	Note: we've reduced this down to 1 minute to get this closer.	
<u>DesertNet</u> 2010-11-18 19:25	We're also working on moving where the process is located so it can happen at the moment of the edit/post and tl instant.	

won't be displayed.

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	More on this soon.		
(0039228)	This modification is now in place.		
DesertNet 2010-11-23 16:02	It was actually a notable change to move it to immediate from delayed so if you can run a few tests to confirm the working as desired/expected, that would be great.		
	Thanks!		
(0039229) <u>HyerD</u> 2010-11-23 16:41	It was quick. The tests I ran seemed more like 10 to 20 seconds after the ad went live. Maybe that's what we need		
(0039241) <u>ferrerc</u> 2010-11-24 11:19	Testing checks out. I think this is a wrap.		
(0039244)	Great and thanks!		
<u>DescrtNet</u> 2010-11-24 11:29	Yeah, there will be a brief delay but it should always be measured in seconds rather than minutes. This is due to inature.		
	It can be changed to be synchronous if ever needed but that would slow down ad saves for all users so we were to the negative impact of that.		
	Please let us know if this ever becomes an issue.		
	Thanks!		

Category:	Severity:	Reproducibility:	Date Submitted:	Last Update:	
[Backpage.com] backpage.com	minor	always	2010-09-08 10:14	2010-09-25 17:54	
ferrerc	Platform:			andre different in the control for the second secon	-
ferrerc	OS:				
urgent	OS Version:				
closed	Product Version:				
	Resolution:	fixed			
none					
none	Fixed in Version:				
	Target Version:				
support					
Open					
Small					

Violated Terms of Use

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We have two approached for moderating content:

- I. Remove bad content in the post.
- Pro: Consumer friendly, more work for our admin, allows our staff to be subjective and not cause too much damage.
- Con: User often adds back bad content

### 2. Remove the post

- Pro: Hurts user financially, teaches user lesson and easiest for our admion staff to do.
- Con: User does not know what they did wrong, very consumer unfriendly, results in chargeback.

We are in the process of removing ads and pissing off a lot of users who will migrate elsewhere. I would like to go back to having our moderators recontent in a post and then locking the post from being edited.

Add to ad object: Lock user from editing ad [] yes

- User will not be able to edit ad while ad is live.
- We can also prevent the ad from being edited when the ad is expired and renewed.
- the error message for the the user trying to edit the ad:
  "Oops! You can not edit the post at this time since this post had previously violated our terms of use"

### ice: nation:

Notes			
(0036875) DesertNet	Our preference from the database perspective is to add a value to the ViolationFlag for this. Perhaps: "Edit Lock O like that.  Will this work? If so, please let us know the language you would like.		
2010-09-09 14:23			
	Thanks!		
(0036877) ferrerc 2010-09-09 14:31	Works for me.		
(0037070)	We'd like to review a number of User Settings and Ad. Violation Flag. values.		
<u>DesertNet</u> 2010-09-17 19:29	Can you take a look at the following to confirm that it all sounds good? If possible, please reply to this asap.		
	Thanks!		
	MR MARIN CONTAINS OF		
	User Settings		
	* Bypass Captcha - The user can bypass captcha.		

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- New Values:
- * No HTML Prohibits the user from using HTML in any of their ads.

* Bypass Filters - The user can bypass filters.

* Bypass Fraud Alerts - The user can bypass fraud alerts.

* Bypass Moderation - The user can bypass moderation.

- * Forced Moderation Forces the Moderation of all ads by this user.
- * Edit Lock Out Locks the user out of being able to edit any ads.

Ad. ViloationFlag

Existing values:

* Inappropriate Content - Set by report ad and leads to potential removal. No information on this is displayed to the

* Whitelist Ad - The users ad is whitelisted and won't be a candidate for violations, aka no ghosting, spam, etc.

- * Wrong Category Set by report ad and leads to potential removal. No information on this is displayed to the user
- * Over Posted Set by either: 1) report ad and leads to potential removal, or 2) backend analysis that also changes Ghosted. No information on this is displayed to the user.
- * Spam Set by backend analysis which also changes the Status to Community Removed. The user will see that th Community Removed.
- * Ghosted Set by backend analysis which also removes this add from search results. No information on this is dis user.

92	

	* Strip Term From Ad - We're going to add this so we can set this whenerver the backend analysis strips out a term internal statistics. No information on this is displayed to the user.
	* Violated Terms of Use - We belive this is the value for this task. If so, staff would flasg this and the user would s You can not edit the post at this time since this post had previously violated our terms of use"
	* Edit Lock Out - This would be inherited from a user setting, manually set, or automatically set based on the age ( account. The user would see a message that they can not edit the ad.
	* No HTML - This would be inherited from a user setting or manually set on a single ad. The user would see a mes can not edit the ad.
(003 7074) <u>ferrerc</u> 2010-09-17 21:20	Looks good.
(0037084) <u>DesertNet</u> 2010-09-18 20:01	Renaming this task for clarity.
(0037087)	This feature is in place and ready for previewing on devel.
DesertNet 2010-09-18 20:21	Here's a tour from a user perspective:
	* Please go to the ad management page and click to edit the ad:
	http://admin.devel.backpage.com/online/classifieds/VerifyAd?oid=2414458&id=3b7ac3e73e5d2b49e8085d634ee( 1278625613 [^]
	* You should see the message stating that the ad has violated the terms of use and that the ad can't be edited.

New values:

C	C

	Please let us know how it looks. Once the schema changes are wrapped, we can push this out.			
	Also, please send us the Spanish Translation.			
	Thanks!			
(0037094) ferrerc	Looks good.			
2010-09-19 21:43	I have sent out a request for the translation below: Sorry! You can not edit the post at this time since this post had previously violated our terms of use"			
(0037099) <u>DesertNet</u> 2010-09-20 12:37	Sounds good thanks.			
(0037101) ferrerc 2010-09-20 12:51	ENGLISH "Sorry! You can not edit the post at this time since this post had previously violated our terms of use"  SPANISH "Lo siento! En este momento usted no puede editar su anuncio desde que el anuncio violo nuestras condiciones de			
(0037103)	Thanks. This change is in place.			
<u>DesertNet</u> 2010-09-20 13:01	http://admin.espanol.devel.backpage.com/online/classifieds/EditAd?oid=2414458&id=3b7ac3e73e5d2b49e8085d61278625613 [^]			
	http://admin.devel.backpage.com/online/classifieds/EditAd?oid=2414458&id=3b7ac3e73e5d2b49e8085d634ee07t			
	Note: we changed the English to "We're sorry" as the other two similar messages said "We're sorry" If this is not olknow.			

To flag an ad in this way, set the Ad's ViolationFlag field to "Violated Terms of Use" as seen here:

http://admin.devel.backpage.com/tools/object-editor?oid=2414458 [^]

	If this looks good, we'll roll it out with the final schema changes tonight.			
(0037116) <u>ferrerc</u> 2010-09-20 13:53 (edited on: 2010-09-20 13:53)	We are good. You can launch tonight.			
(0037133) DesertNet	Question: how would you like to handle this for renewal ads?			
2010-09-20 17:06	Should these ads not renew?			
	Should we clear the slate on renew since it will be going back into the moderation queue as new?			
	Thanks!			
(0037137) ferrerc	Should these ads not renew? ANSWER: no			
2010-09-20 17:27	Should we clear the slate on renew since it will be going back into the moderation queue as new? ANSWER: Yes			
	We will let them renew their ad. It means we can let them change their copy.  More than likely, if we set a user or ad on edit lock out, we will have also set the user to forced moderation. The ed prevent someone from changing their ad or ads after they passes moderation.			
(0037152)	Should we re-set the Violation Flag to remove that the ad violated the Terms of Service when they renew it?			
<u>DesertNet</u> 2010-09-20 19:41	If so, they will be able to edit the ad again, including after it passes moderation.			
	If not, then after it passes moderation, it will remain locked down (no editing) and will display the violation messa _!			
	Please let us know.			
(0037154)	My gut tells me to be less draconian:			
<u>ferrerc</u> 2010-09-20 21:16	So, we can re-set the Violation Flag to remove that the ad violated the Terms of Service when they renew it. They			

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(edited on: 2010-09-20 21:41)	1) edit the ad again, including after it passes moderation.			
	If a user becomes a frequent problem, then we will lock out of edit from the user object.			
(0037155) <u>DesertNet</u> 2010-09-20 21:40	This sounds good. Thanks!			
(0037197) DesertNet	This change has been released.			
2010-09-21 14:41	If you can run a few tests by setting an ad or two as "Violated Terms of Use", that would be great.			

Thanks!

(0037204) <u>HyerD</u> 2010-09-21 14:51 Tested this one too - it worked perfectly.

GG

From; Sent; Salurday, September 25, 2010 12:59 AM To: Subject: [Backpage.com 0012328]: Violated Terms of Use

The following issue has been RESOLVED.

http://tasks.vvmedia.com/view.php?id=12328

ferrerc Assigned To: ferrerc
Project: Backpage.com

Backpage.com 12328 backpage.com always Category: Reproducibility: Severity: Priority: Status: minor urgent

resolved Task Type: Task Activity: . support Open Small

Task Activity:
Task Scope:
Source:
Exp. Start Date:
Exp. Comp. Date:
Fiscal Quarter:
Poscultion:

open

Fixed in Version:

Date Submitted: 09-08-2010 08:14 MST

Last Modified: 09-24-2010 16:59 MST

Summary: Description:

Violated Terms of Use

- We have two approached for moderating content:

  1. Remove bad content in the post.

   Pro: Consumer friendly, more work for our admin, allows our staff to be subjective and not cause too much damage.

   Con: User often adds back bad content
- 2. Remove the post
- Pro: Hurts user financially, teaches user lesson and easiest for our admion staff to do.
   Con: User does not know what they did wrong, very consumer unfriendly, results in
- chargeback.

We are in the process of removing ads and pissing off a lot of users who will migrate elsewhere. I would like to go back to having our moderators remove bad content in a post and then locking the post from being edited.

Add to ad object: Lock user from editing ad [ ] yes
- User will not be able to edit ad while ad is live. - We can also prevent the ad from being edited when the ad is expired and renewed.
- the error message for the the user trying to edit the ad: "Oops! You can not edit the post at this time since this post had previously violated our terms of use"
DesertNet - 09-09-10 12:23
Our preference from the database perspective is to add a value to the ViolationFlag for this. Perhaps: "Edit Lock Out" or something like that.
Will this work? If so, please let us know the language you would like.
Thanks!
ferrerc - 09-09-10 12:31
Works for me.
DesertNet - 09-17-10 17:29
We'd like to review a number of User.Settings and Ad.ViolationFlag. values.
Can you take a look at the following to confirm that it all sounds good? If possible, please reply to this asap.
Thanks!
User.Settings
* Bypass Captcha - The user can bypass captcha.
* Bypass Filters - The user can bypass filters.
* Bypass Fraud Alerts - The user can bypass fraud alerts.
* Bypass Moderation - The user can bypass moderation.
* Whitelist Ad - The users ad is whitelisted and won't be a candidate for violations, aka no ghosting, spam, etc.
New Values:

- * No HTML Prohibits the user from using HTML in any of their ads.
- * Forced Moderation Forces the Moderation of all ads by this user.
- * Edit Lock Out Locks the user out of being able to edit any ads.

# Ad.ViloationFlag

#### Existing values:

- *  Inappropriate Content Set by report ad and leads to potential removal. No information on this is displayed to the user.
- $\mbox{*}$  Wrong Category Set by report ad and leads to potential removal. No information on this is displayed to the user.
- * Over Posted Set by either: 1) report ad and leads to potential removal, or 2) backend analysis that also changes the Status to Ghosted. No information on this is displayed to the user.
- *  Spam Set by backend analysis which also changes the Status to Community Removed. The user will see that there add has been Community Removed.
- *  Ghosted Set by backend analysis which also removes this add from search results. No information on this is displayed to the user.

#### New values:

- * Strip Term From Ad We're going to add this so we can set this whenever the backend analysis strips out a term. It's just for internal statistics. No information on this is displayed to the user.
- * Violated Terms of Use We belive this is the value for this task. If so, staff would flasg this and the user would see the "Oops! You can not edit the post at this time since this post had previously violated our terms of use"
- * Edit Lock Out This would be inherited from a user setting, manually set, or automatically set based on the age of the user's account. The user would see a message that they can not edit the ad.
- *  No HTML This would be inherited from a user setting or manually set on a single ad. The user would see a message that they can not edit the ad.

ferrerc -		 	 	 	 	
Terrerc -	 	 	 	 	 	
Looks good.						
DesertNet	 					

3

Renaming this task for clarity.
DesertNet - 09-18-10 18:21
This feature is in place and ready for previewing on devel.
Here's a tour from a user perspective:
* Please go to the ad management page and click to edit the ad:
http://admin.devel.backpage.com/online/classifieds/VerifyAd?oid=2414458&id=3b7ac3e73e5d2b49e8 085d634ee07bd6-1278625613
* You should see the message stating that the ad has violated the terms of use and that the ad can't be edited.
•••
To flag an ad in this way, set the Ad's ViolationFlag field to "Violated Terms of Use" as seen here:
http://admin.devel.backpage.com/tools/object-editor?oid=2414458
Please let us know how it looks. Once the schema changes are wrapped, we can push this out.
Also, please send us the Spanish Translation.
Thanks!
ferrerc - 09-19-10 19:43
ferrerc - 09-19-10 19:43
ferrerc - 09-19-10 19:43
ferrerc - 09-19-10 19:43  Looks good.  I have sent out a request for the translation below: Sorry! You can not edit the post at this time since this post had previously violated our terms of use"  DesertNet - 09-20-10 10:37
ferrerc - 09-19-10 19:43  Looks good.  I have sent out a request for the translation below: Sorry! You can not edit the post at this time since this post had previously violated our terms of use"
ferrerc - 09-19-10 19:43  Looks good.  I have sent out a request for the translation below: Sorry! You can not edit the post at this time since this post had previously violated our terms of use"  DesertNet - 09-20-10 10:37  Sounds good thanks.
ferrerc - 09-19-10 19:43  Looks good.  I have sent out a request for the translation below: Sorry! You can not edit the post at this time since this post had previously violated our terms of use"  DesertNet - 09-20-10 10:37  Sounds good thanks.
ferrerc - 09-19-10 19:43  Looks good.  I have sent out a request for the translation below: Sorry! You can not edit the post at this time since this post had previously violated our terms of use"  DesertNet - 09-20-10 10:37  Sounds good thanks.  Ferrerc - 09-20-10 10:51  ENGLISH "Sorry! You can not edit the post at this time since this post had previously violated our

"Lo siento! En este momento usted no puede editar su anuncio desde que el anuncio violo nuestras condiciones de uso."
DesertNet - 09-20-10 11:01
Thanks. This change is in place.
http://admin.espanol.devel.backpage.com/online/classifieds/EditAd?oid=2414458&id=3b7ac3e73e5d 2b49e8085d634ee07bd6-1278625613
http://admin.devel.backpage.com/online/classifieds/EditAd?oid=2414458&id=3b7ac3e73e5d2b49e8085d634ee07bd6-1278625613
Note: we changed the English to "We're sorry" as the other two similar messages said "We're sorry" If this is not ok, please let us know.
•••• · · · · · · · · · · · · · · · · ·
If this looks good, we'll roll it out with the final schema changes tonight.
ferrerc - 09-20-10 11:53
We are good. You can launch tonight.
DesertNet - 09-20-10 15:06
Question: how would you like to handle this for renewal ads?
Should these ads not renew?
Should we clear the slate on renew since it will be going back into the moderation queue as new?
Thanks!
ferrerc - 09-20-10 15:27
Should these ads not renew? ANSWER: no
Should we clear the slate on renew since it will be going back into the moderation queue as new?  ANSWER: Yes
We will let them renew their ad. It means we can let them change their copy. More than likely, if we set a user or ad on edit lock out, we will have also set the user to forced moderation. The edit lock out is to prevent someone from changing their ad or ads after they passes moderation.
DesertNet - 09-20-10 17:41
5

Should we re-set the Violation Flag to remove that the ad violated the Terms of Service when they renew it? If so, they will be able to edit the ad again, including after it passes moderation. If not, then after it passes moderation, it will remain locked down (no editing) and will display the violation message. Please let us know. ..... ferrerc - 09-20-10 19:41 My gut tells me to be less draconian: So, we can re-set the Violation Flag to remove that the ad violated the Terms of Service when they renew it. They will be able to edit the ad again, including after it passes moderation. If a user becomes a frequent problem, then we will lock out of edit from the user object. DesertNet - 09-20-10 19:40 This sounds good. Thanks! DesertNet - 09-21-10 12:41 This change has been released. If you can run a few tests by setting an ad or two as "Violated Terms of Use", that would be great. Thanks! HyerD - 09-21-10 12:51 Tested this one too - it worked perfectly. Issue History Date Modified Username 09-08-10 08:14 ferrerc New Issue New Issue
Task Type
Task Activity
Task Scope
Description Updated
Assigned To 09-08-10 08:14 ferrerc => support 09-08-10 08:14 ferrerc 09-08-10 08:14 ferrerc >> Open
>> Small

6

Priority

Status

Status Note Added: 0036875 Assigned To

=> DesertNet

new => assigned

DesertNet => ferrerc assigned => feedback

normal => high

09-08-10 08:42 ferrerc 09-08-10 08:45 ferrerc

09-08-10 08:45 ferrerc

09-09-10 12:23 DesertNet

09-09-10 12:23 DesertNet 09-09-10 12:23 DesertNet

ferrerc

09-08-10 08:45

09-09-10 12:31 ferrer	Note Added: 0036877	
09-09-10 12:31 ferrer	: Status	feedback => assigned
09-09-10 12:31 ferrer		ferrerc => DesertNet
09-17-10 17:29 Deserti	let Note Added: 0037070	
09-17-10 17:30 Desert	Wet Assigned To	DesertNet => ferrerc
09-17-10 17:30 Deserti	let Priority	high => urgent
09-17-10 17:30 Deserti	let Status	assigned => feedback
09-17-10 19:20 ferrer	Note Added: 0037074	
09-17-10 19:25 ferrer	Status	feedback => assigned
09-17-10 19:25 ferrer	Assigned To	ferrerc => DesertNet
09-17-10 20:31 Desert!	Vet Status	assigned => wip
09-18-10 14:08 padilla	aa Issue Monitored: pa	dillaa
09-18-10 18:01 Desert!	Net Note Added: 0037084	
09-18-10 18:01 Desert	let Summary	Moderation: Lock an ad
from being edited => V:	iolated Terms of Use	
09-18-10 18:21 Desert	Vet Note Added: 0037087	
09-18-10 18:23 Desert	Net Assigned To	DesertNet => ferrerc
09-18-10 18:23 Deserti	vet Status	wip => feedback
09-19-10 07:24 HyerD	Issue Monitored: Hy	erD
09-19-10 19:43 ferrer	Note Added: 0037094	
09-20-10 10:37 Desert	Net Note Added: 0037099	
09-20-10 10:51 ferrer	Note Added: 0037101	
09-20-10 11:01 Desert	Net Note Added: 0037103	
09-20-10 11:53 ferrer	Note Added: 0037116	
09-20-10 11:53 ferrer	Note Edited: 003711	6
09-20-10 11:54 ferrer	: Status	feedback => assigned
09-20-10 11:54 ferrer	Assigned To	ferrerc => DesertNet
09-20-10 15:06 Deserti	Net Note Added: 0037133	
09-20-10 15:07 Desert	Net Assigned To	DesertNet => ferrerc
09-20-10 15:07 Deserti	Net Status	assigned => feedback
09-20-10 15:27 ferrer	Note Added: 0037137	
09-20-10 15:27 ferrer	5tatus	feedback => assigned
09-20-10 15:27 ferrer	Assigned To	ferrerc => DesertNet
09-20-10 17:41 Desert	Net Note Added: 0037152	
09-20-10 17:41 Desert	Net Assigned To	DesertNet => ferrerc
09-20-10 17:41 Desert	Vet Status	assigned => feedback
09-20-10 19:16 ferrer	Note Added: 0037154	
09-20-10 19:16 ferrer	Status .	feedback => assigned
09-20-10 19:16 ferrer	Assigned To	ferrerc => DesertNet
09-20-10 19:40 Desert	Net Note Added: 0037155	
09-20-10 19:41 ferrer		
09-21-10 12:41 Desert		
09-21-10 12:42 Desert		DesertNet => ferrerc
09-21-10 12:42 Desert		assigned => feedback
09-21-10 12:51 HyerD	Note Added: 0037204	
09-24-10 16:59 Desert		feedback ≈> resolved
***********		*******

From: Sent:	Monita Mohan Tuesday, October 05, 2010 7:45 PM Carl Ferrer	on behalf of Monita Mohan
To: Subject:	eaching image standards	
Thanks Carl Monita		
	0 at 11:40 AM, Carl Ferrer sas corrected to an approved.	wrote:
carl		
On Oct 5, 2010, at	11:24 AM, Monita Mohan wrote:	
> > Monita	am going over it.:)	
>     On Tue, Oct 5, 2     See attached. >	010 at 9:45 AM, Carl Ferrer <	wrote:
	at 8:56 AM, Monita Mohan wrote:	
> > Hi Carl, >> >	Africana A	u. sata
> > Ok thank you > > > > Monita > >		
>> On Tue, Oct 5, >> Yes That is co >>	, 2010 at 8:53 A.M., Carl Ferrer <	≥ wrote:
>> >> >> On Oct 5 2010	D, at 10:18 AM, Monita Mohan <	wrote:
> > > >> Hi again Carl		wide.
	example of moderation- please see atta	ched doc
>>> >>> I would fail ti >>>	his add because of the word "cum" and a	associated innuendo "eat all my veggies whole"
>>> Thanks		

> >> Monita	
>>>	
>>> On Tue, Oct 5, 2010 at 7:22 AM, Ca	arl Ferrer < wrote:
	ive your staff go thru the two queues below:
>>>	Jam Stan Bo on the tree desperance
>>> Go here:	
> >> http://admin.www.backpage.com/or	dine/central/admin/AdModerationOueue
>>> Login: at1	anne sentran administrativas i antenesti sase
> >> password: jersey	
>>> password, jersey	Majorto de la companya del companya della companya
>>>	
>>> TWO OUEUES TO BE USED	
>>> 1WO QUEGES 10 BE OSED	
>>>	
	w tot he site. Ads are "under review" status. Ads must be released or
marked as failed in 20 minutes or less.	
>>>	
> >> 2. OTHER- the rest of ads	
>>>	
>>> If image AND text pass rules, click	
>>> If image OR text fails rules, click fa	il.
>>>	Alternative of the Charles
>>> The queue is load balanced using se	ver groups: "Group: all   a   b   c   d   e "
>>> This will allow multiple users to wo	ork by dividing up the work by groups.
>>>	
>>> The other queues you can disregard	
>>>	
> >>	
>>> CONTENT STANDARDS IMAGE	S and TEXT
>>>	
>>>	
> >> 1. IMAGES:	
	omen. However, we do not want to display any explicit images of
	erect penis. Our standard is playboy and not porn.
>>>	not pens. Our standard is puryony and not perm
>>>	
>>> Approve	
>>>	
>>> - Female frontal nudity but legs clos	sad.
>>> - Inner genitalia not apparent	reu
>>> - Subject is still partially clothed	
>>> - Male frontal nudity	
>>> - Flaccid male frontal nudity is oka	
	<i></i>
>>> - No suggestive pose	
>>> - No sexual manipulation	and and and
>>> - Manipulation is relevant to a body	tuos au
>>> - Topless is okay	and be about and
>>> - Legs spread is okay if vagina cove	ered by clothing
>>> - Self breast manipulation okay	
>>> - Mouth on own breast is okay	
>>> - Rear shots okay	
	2

```
>>> - Transparent wet panties okay
>>> - Inner genitalia is not visible
>>> - Nude rear shots are okay as long the model is not exposing her anus or genitalia
>>> - Sex toy but not being used sexually- treat this as an article of clothing or a costume
>>>
>>> ---
>>> Fail
>>> --
>>> - Exposed genitalia
>>> - Exposed anus
>>> - Graphic sex act
>>> - Manipulation to display vagina, penis, or anus.
>>> - Erections not allowed
>>> - Hand inside waistband or panties
>>> - Holding sex toy
>>> - Using toy in a sexual manner
>>> - Exposed inner female genitalia
>>> - Breast manipulation by another person NOT allowed
>>> - Sexual contact
>>> - Mouth on another person's breast is NOT allowed
>>> - Female frontal nudity with legs spread and no underwear.
>>> - Erect penis
>>> - Blatant close up of vagina, penis or anus.
>>> - Inner genitalia exposed
>>> - Flaccid male frontal nudity but subject's legs are spread.
>>> - Penis still appears swollen and the closeup shot is blatant
>>> - Cartoon images are subject to the same restrictions as images of real people
> >>
>>>
>>> 2. TEXT STANDARDS
>>> Please "Fail" and ads with text that suggest sex for money.
>>> Often they will use code or miss-spelled words.
>>>
>>> .
>>> CODE WORDS
>>>
> >> back door
> >> barely legal
>>> bbbj, bbj, bj
>>> blow pops
>>> Blow job
>>> BnG - Blow N Go
>>> bukkake
>>> cbj
>>> cim - cum in mouth
>>> cum
>>> daty - dine at the y
>>> deep throat
>>> foreign languages
>>> french, italian, russian (when it's part of a price list / menu)
>>> fuck
```

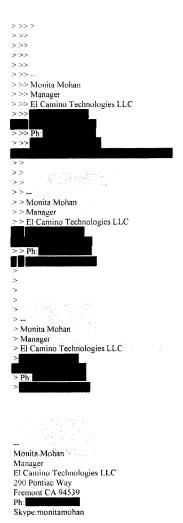
3

```
>>> full release
>>> full service
>>> half and half
>>> happing endings
>>> lingam
>>> lolli or lollipop (when it's part of a price list / menu)
>>> msog – multi shots on goal
>>> multi pops
> >> oral (when it's part of a price list / menu)
>>> pegging
>>> pussy
>>> quicky
>>> rimming
>>> trips to islands
>>> trips to mediterranean
>>>
>>>
>>>
> >> On Oct 3, 2010, at 9:41 PM, Sukesh Mohan wrote:
>>>> Hi Carl,
>>>>
>>>> The steps you outline below look good. Meanwhile, we have selected 6 staff members for the evaluation period (instead of 1). Once we get the guidelines, we can train the team at once and begin the evaluation.
Initially it will be better to have them all on 1 shift for training and supervising their work.
>>>>
>>>> Thanks.
>>>>
>>> Sukesh
>>>>
>>> On Thu, Sep 30, 2010 at 8:01 PM, Carl Ferrer >>> 1 have three steps left:
>>>> 1. Add your IP's
>>>>
>>>> 2. Modify the queue to have a "fail".
>>> If you staff finds something violating our rules, they will click fail. It will move to a US staff who will
determine what to do (edit, reduce user's rights, or remove ad)
>>>> 3. Provide you with url, username and password, and documentation on moderation standards.
>>> > Andrew is working on this. He's manages our spam/abuse US staff
>>>>
>>>> Looks like next week sometime.
>>>>
>>> > Carl
>>>>
>>> On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote:
>>>>
>>>> Hello Carl,
>>>>>
```

>>> >> When I clicked on this link I got a message for forbidden access
>>>>
>>> > When it was clicked in India they too got a message for forbidden access.
>>>>
>>> > Thank you
>>>> Monita
>>>>
>>> > On Thu, Sep 30, 2010 at 7:33 PM, Carl Ferrer wrote:
>>> > Can your staff click this url?
>>>> http://admin.www.backpage.com
>>>>
>>>> Do you get a user login in prompt?
>>>>
>>> > 1 just want to confirm that my developers added your IP.
>>>>
>>> > Carl
>>>>
>>> > On Sep 25, 2010, at 4:30 PM, wrote:
>>>>
>>> >> Hi Carl,
>>>>> Thats good to hear that the queue is build. We have a staff member identified to work on the project.
We can start within 2 days of receiving the documents. Lets have a conference next week to go over the
guidelines.
>>>>>
>>>>> After the evaluation payment can be by check. I understand you may want to build a team quickly.
So as we start the evaluation, we will start building the team. You can give us guidance on number of members
you might need.
>>>>>
>>> >> Thanks
>>>>> Sukesh
>>> >>Original Message
>>> >> From: Carl Ferrer
>>> >> Date: Sat, 25 Sep 2010 15:29:50
>>>>> To; Sukesh Mohan<
>>>> Cc: Monita Mohani
>>> > Subject; Re: Introduction to Review/ Moderation Services from El Camino Technologíes >>>>>
>>>>> I'll send you urls, username and password, and the guidelines next week.
>>>>> We actually have the queue built and we can start next week.
>>> > I understand you will give me one person to test
>>>>>
>>> > But I'll probably want to increase people with in a few days.
>>> > When we add people, what's your preference on payment?
>>>>>
>>>>>
>>>>> carl
>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>
>>> > On Sep 23, 2010, at 11:45 PM, Sukesh Mohan wrote:
with compression, the district different properties of the compression
>>>>>
>>>>
>>>> App.000107

```
>>>>> Hi Carl,
>>>>>>>>
>>>>> Thanks for your interest in testing us out Please send us your guidelines so we can begin training
and evaluating staff for placement on your project. Attached are our Static IP Addresses for our offices.
>>>>>> I have copied Monita, our US Project Manager.
>>>> >> Sukesh
>>>>>>
>>>>> On Thu, Sep 23, 2010 at 9:24 PM, Carl Ferrer <
                                                                           wrote:
>>>>> Ok, I'd like to test you out.
>>>>>>>
>>>>>> To do this right, we probably need to start with 6 staff.
>>>>>>>
>>>>>> - Send me your static IP so you can get admin access.
>>>>> - I will give them URLS and specific instructions on what to delete.
>>>>> > l need modified the rights to secure some user info/cc data, etc. .
>>>>>>>
>>>> carl
>>>>>>>
>>>>>>
>>>>> Hi Carl
>>>>> I will call you during your open time slots.
>>>> Sukesh
>>>>>> >> -----Original Message-----
>>>>> From: Carl Ferrer
>>>>>> To: Sukesh Mohan El Camino Technologies
>>>>> Subject: Re: Introduction to Review/ Moderation Services from El Camino Technologies >>>>> Sent. Sep 22, 2010 3:58 PM
>>>>>>>>
>>>>> l'm in phoenix for a few more days (pacific time)
>>>> >>> I'm open 10:00a till 11:30a pacific time.
>>>>>>>
>>>>> You can call me then on my cell or some time after 2p pacific.
>>>>>>>
>>>>> I'd like to talk about how other sites have organized the data for your staff to remove bad content,
the security, reporting, etc. >>>>>>>>
>>>> > > <u>carl</u>
> >> > > >>
>>>>>>>>
 >>>>>>>
>>>> On Sep 22, 2010, at 3:32 PM, wrote;
>>>>>>>
>>>>> Hi Carl:
 > >> > >>>>
 >>>>> Sure wold be great to chat. How is tomorrow at 10am Dallas time. My mobile number is
>>>>>>>
 >>>> > Sukesh
>>>>>> -----Original Message-----
```

```
>>>>> From: Carl Ferrer
>>>>> To: Sukesh Mohan El Camino Technologies
>>>> To:
>>>>> Subject: Re: Introduction to Review/ Moderation Services from El Camino Technologies
>>>>> Sent: Sep 22, 2010 12:45 PM
>>>>>>>>
>>>> > Are you available for a call?
>>>>>>>
>>>>>> Also, lets start emailing me on the backpage email address (I check it
>>>>> more often)
>>>>>
>>>>
>>>>>>>
                                                                                                    The state of the s
>>>> Carl
>>>>>>>
>>>>> On Tue, Sep 21, 2010 at 12:16 PM, Sukesh Mohan
>>>> Hi Carl,
>>>>>>>
>>>>> Thanks for your interest. Attached is a presentation which covers our
 >>>>> company introduction, services offered (review of Ads and Images), working
 >>>>> methodology, pricing and customers.
>>>>>>>>
>>>>> Please let me know if you have any questions or if you would like to >>>>> follow-up with a conference call. We can offer 1 month of no charge trial (1
 >>>>> person for 1 month - 6 days a week, 8 hours/day).
 >>>>>>
>>>> > >>>> Sukesh Mohan
>>>>>>> Head, Business Development
>>>>>>>> El Camino Technologies, LLC
 >>>> Cell:
 >>>>>>>>
 >>>>>>>
 >>>>>>
 >>>>>>>
>>>>>>>>>>
 >>>>> > Static IP Addresses El Camino Technologies.doc>
 ンシンシン
 >>>>>
 >>>>>
 >>>>>
 >>>>>
 >>>> Monita Mohan
 >>>> Manager
 >>> > El Camino Technologies LLC
 >>>> Ph:
```



1	From: Andrew Padilla To: Jeff CC: Tamara; Vaught, Joye Date: 10/8/2010 10:28 AM Subject: Re: Amy
	Jeff,
	Until further notice, DO NOT LEAVE NOTES IN USER ACCOUNTS.
	Backpage, and you in particular, cannot determine if any user on the site in involved with prostitution. Leaving notes on our site that imply that we're aware of prostitution, or in any position to define it, is enough to lose your job over.
	There was not one mention of prostitution in the power point presentation. That was a presentation designed to create a standard for what images are allowed and not allowed on the site. If you need a definition of "prostitution", get a dictionary. Backpage and you are in no position to re-define it.
	This isn't open for discussion. If you don't agree with what $\Gamma m$ saying completely, you need to find another job.
	Andrew Padilla Operations Manager Backpage.com   <u>Village</u> Voice Media
	>>> On 10/7/2010 at 9:35 PM, Jeff Lyons wrote: Hi Joye,
	The client Noncommunity in Minnesota has been a long time TOU violator. Her account Reducted for Privacy Section 1997 (National National N
	I found a third account for this client under Redacted for Privacy It also had violations so I did the same thing.
	Thanks,
	jeff ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (
	https://ral.vvmsecure.com/classifieds/central/,DanaInfo=admin.www.backpage.com+ManageAds?
	<u>user</u> Redacted for Privacy

BP-PSI-025590

https://ral.wmsecure.com/classifleds/central/,DanaInfo=admin.www.backpage.com+ManageAds?user={
Redacted for Privacy}
https://ral.wmsecure.com/classifleds/central/,DanaInfo=admin.www.backpage.com+ManageAds?user={
Redacted for Privacy}

App.000112

BP-PSI-025591

Andrew Padilla Tuesday, October 12, 2010 9:04 PM Carl Ferrer bp adult posting policy Adult Advertising Policy Backpage rev9-10.doc on behalf of Andrew Padilla

From: Sent: To: Subject: Attachments:

## hackpage.com. Adult Advertising and Posting

Backpage.com ("BP") does not accept any advertisements for products or services that BP or its managers or employees know to be illegal.

BP accepts advertisements or postings in many categories that can generally be described as "adult" or "adult-oriented" goods or services. These categories include:

• Dating Services

- Phone Services including pay per minute and pay per call services
   Gentleman's Clubs

- Adult bookstores
   Adult stores (such as crotic lingeric and sexually criented goods)
   Licensed Massage Services
- Unlicensed Massage Services
- Escort Services

It is BP's policy to remove any advertisements or postings from persons or entities of which BP becomes aware are engaged in illegal activities in such postings or advertised products or services.

Any discussion about illegal activities associated with an advertisement or posting or initiated by an advertiser or poster, including but not limited to, any references to acts of prostitution or sex acts in exchange for money must result in an immediate rejection of any advertising or posting from such person or entity. Purther, a textual record of such conversations should be kept including the context of the exchange and any pertinent information about the advertiser or poster; name, phone number, business name, etc.

My signature indicates that I have reviewed the above and fully understand the contents, meaning, and procedures outlined in this policy. Employee's Name - Printed Employee's Signature Date Manager's Signature Dato

This described contains information from Rank proposed. LLC that is confidented and may be galvilaged and protested from distinsive. Obvious he advised that any use, distantiation, distribution or copyring is artisty probabilist.

Monita Mohar Tuesday, October 12, 2010 1:50 AM Andrew Padilla Carl Ferrar Re: review of failed ads From: on behalf of Monita Mohan Sent: To: Cc: Subject: Hi Andrew Thank you so much for your feedback. I will discuss with the team. Best Monita. On Mon, Oct 11, 2010 at 5:10 PM, Andrew Padilla . I've been reviewing the ads Failed by at1 and I wanted to offer a few pointers to hopefully streamline the work for you. We have a filter setup to automatically remove the word "cum" so when you see it in an ad it's safe to ignore. The filter will remove the term after the ad is released. Also, if you see the "come" spelling and it isn't a sexual reference, it's okay. If a banned term is used to describe what the escort is NOT offering, it's ckay to leave it. For instance, "no F/S" or "i do not offer full service". In slide 27 of the power point presentation, I think I was too vague. The rear shot with a thong or g-string is okay unless the fabric is off center and exposing the anus. A centered thong is okay and any discoloration around the anus that is visible is okay. The picture I chose was a poor example. I'll find a better example and update the power point for you and our staff here. Thanks. Market Direction of

> 1 App.000115

Monita Mohan Manager

El Camino Technologies LLC

on behalf of Andrew Padilla

Andrew Padilla
Saturday, October 16, 2010 6:56 PM
Carl Ferrer
Re: Fwd: Example of Backpage moderation From: Sent: To: Subject: Just so you know, Other hasn't proved to be much of a burden for us. Our Monday crew wiped it out by 10am Monday morning and that was after we'd let it pile up over the weekend. This weekend, we have our weekend day crew covering New. Edited and Other. The Indians may be of some help for evenings and overnights, but we're likely to have that covered as well with the extra people working overlime. My concern is the impression that the Indians are a big help to us. Right now, they're not. If they're failing ads, it makes more work for us. This was fine when our goal was training them but in this crisis, they're more trouble than they're worth. My goal over the next four days is to staff around the clock so that New, Edited and Other are covered and we still have time for lots of manual review. >>> On 10/15/2010 at 8:50 PM, Carl Ferrer Andrew,
I spoke with Monite at El Camino. I told her to work the OTHER queue with a vengeance. 2 people, 24/7, when in doubt, send to fail.

She said a few people may be kind of new and may send some false positives to fail. I told her that was OK. Scott,
I told her to we'll start paying effective this Saturday for 6 people at \$3.95.
I'll worry about getting a lower rate post-crisis. Carl Begin forwarded message From: Monita Mohan

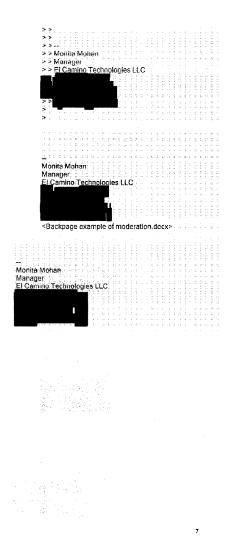
Date: October 5, 2010 8:56:44 AM MST To: Carl Ferrer Cc: Sukesh Mohan I Andrew Padilla Subject: Re: Example of Backpage moderation Hi Carl, Ok thank you Monite On Tue, Oct 5, 2010 at 8:53 AM, Carl Ferrer

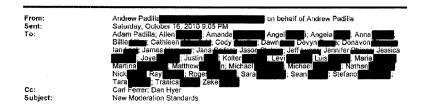
Yes. That is correct	
On Oct 5, 2010, et 10:18 AM, Monite Mohan	wrote:
Hi again Cart,  Is this correct example of moderation- please see altach	ed don
and the state of t	"我们我我们的我们的,我们的我们的我们的我们就是一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个
I would fail this add because of the word "cum" and asso	ciated innuendo "eat all my veggies whole"
Thanks Monita	
On Tue, Oct 5, 2010 at 7:22 AM, Carl Ferrer TASK DESCRIPTION: I wish to have your staff go thru!	wrote: he two queues below:
Go here: http://admin.www.backpage.com/online/central/admin/A Login: at1	dModerationQueue
password jersey.	
TWO QUEUES TO BE USED	
NEW QUEUE- users are very new tot he site. Ads are or marked as failed in 20 minutes or less.	"under review" status. Ads must be released
2. OTHER- the rest of ads	
if image AND text pass rules, click approve. If image OR text fails rules, click fail.	
The queue is load balanced using sever groups: "Group This will allow multiple users to work by dividing up the	all a b c d e " work by groups.
The other queues you can disregard.	
CONTENT STANDARDS IMAGES and TEXT	
1. IMAGES:	
We allow full nudes for men and women. However, we genitalia like the inner vagina pics or an erect penis. Ou	to not want to display any explicit images of r standard is playboy and not porn.
Approve	
- Female frontal nudity but legs closed - Inner genitatia not apparent - Subject is still partially clothed - Mate frontal nudity - Flaccid male frontal nudity is okay - No suggestive posa - No sexual manipulation - Manipulation - Manipulation is relevant to a body rubs ad	
- Topless is okey Legs spread is okay if vagina covered by clothing - Self breast manipulation okay	

pegging pussy quicky ramming	
trips to islands trips to mediterranean	
On Oct 3, 2010, at 9:41 PM, Sukesh Mohan wrote:	
ş Hi Çan,	
> The steps you outline below look good. Meanwhile, we revaluation period (instead of 1). Once we get the guideline	
the evaluation: Initially it will be better to have them all on work.	
> Thanks.	
> Sukesh	
<b>*</b> 1. 111 11 11 11 11 11 11 11 11 11 11 11	43. *** ** ** ** ** ** ** ** ** ** ** ** *
> On Thu, Sep 30, 2010 at 8:01 PM, Carl Ferrer  - I have three steps left.	wiote:
> 1. Add your IP's	
> 2. Modify the queue to have a "fail".	
If you staff finds something violating our rules, they will determine what to do (edit, reduce user's rights, or remove	dick fail. It will move to a US staff who will
<ul> <li>3. Provide you with urt, username and password, and d</li> <li>Andrew is working on this. He's manages our spam/abu</li> </ul>	ocumentation on moderation standards.
Andrew is working on this. He's manages our snam/abut	ocumentation on moderation standards.
> Andrew is working on this. He's manages our spam/abu > 1 > 1 tooks like next week sometime > Cart	ocumentation on moderation standards se US staff.
> Andrew is working on this. He's manages our spam/abu > > tooks like next week sometime > - Cart > -	ocumentation on moderation standards. se US staff.
> Andrew is working on this. He's manages our spam/abu > tooks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote:	ocumentation on moderation standards se US staff.
> Andrew is working on this. He's manages our spam/abu > 1 > 1 cooks like next week sometime > 2 Cart > 5 > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote; 5 > Hello Cart, > 5 > Hello Cart, 5	ocumentation on moderation standards. se US staff.
> Andrew is working on this. He's manages our spam/abu > 1 > 1 cooks like next week sometime > 2 > Cart > 2 > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: 2 > Hello Cart, > 3	ocumentation on moderation standards. se US staff.
> Andrew is working on this. He's manages our spam/abu > 1. ooks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: > Hello Cart, > > Hello Cart, > > When I clicked on this link I got a message for forbidde > > When it was clicked in India they too got a message for > > > Thank you	ocumentation on moderation standards. se US staff.
> Andrew is working on this. He's manages our spam/abu > 1 tooks like next week sometime > 1 tooks like next week sometime > 2 Cart > 2 On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: 2 > 3 Hello Cart, 3 > 3 When I clicked on this link I got a message for forbidde > 3 When it was clicked in India they too got a message for 5 PM india they too got a message for 5 Thank you > 1 Monita   2 Thank you > 2 Monita   3 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message for 5 PM india they too got a message fo	ocumentation on moderation standards. se US staff.  en access or forbidden access.
> Andrew is working on this. He's manages our spam/abu > 1,00ks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: > > Hello Cart, > > > When I clicked on this link I got a message for forbidde > > When I clicked in India they too got a message for > > > > > > > > > > > > > > > > > > >	ocumentation on moderation standards. se US staff.
> Andrew is working on this. He's manages our spam/abu > 1.ooks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: > Hello Cart, > > When I clicked on this link I got a message for forbidde > When I clicked in India they too got a message for Sep 30, 2010, at 7:46 PM, Monita they too got a message for Sep 30, 2010, at 7:46 PM, Monita they too got a message for Sep 30, 2010, at 7:33 PM, Carl Ferrer > > Ton Thu, Sep 30, 2010 at 7:33 PM, Carl Ferrer > > Can your staff click this ur? > Total your staff click this ur? > http://admin.www.backpage.com	ocumentation on moderation standards. se US staff.  en access or forbidden access.
> Andrew is working on this. He's manages our spam/abu > 1 cooks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: > Hello Cart, > When I clicked on this link I got a message for forbidds > When it was clicked in India they too got a message for > When it was clicked in India they too got a message for > Thank you > Monita > On Thu, Sep 30, 2010 at 7:33 PM, Carl Ferrer > Intutri/admin.www.hackpage.com > Do you get a user login in prompt?	ocumentation on moderation standards se US staff.  en access or forbidden access.
> Andrew is working on this. He's manages our spam/abu > 1 cooks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: > Helio Cart, > When I clicked on this link I got a message for forbidde > When I clicked in India they too got a message fo > When it was clicked in India they too got a message fo > Namita > Monita > On Thu, Sep 30, 2010 at 7:33 PM, Carl Ferrer > Can your staff click this url? > Can your staff click this url? > Do you get a user login in prompt?	ocumentation on moderation standards se US staff.  en access or forbidden access.
> Andrew is working on this. He's manages our spam/abu > 1 cooks like next week sometime > Cart > On Sep 30, 2010, at 7:46 PM, Monita Mohan wrote: > Hello Cart, > When I clicked on this link I got a message for forbidds > When it was clicked in India they too got a message for > When it was clicked in India they too got a message for > Thank you > Monita > On Thu, Sep 30, 2010 at 7:33 PM, Carl Ferrer > Intutri/admin.www.hackpage.com > Do you get a user login in prompt?	ocumentation on moderation standards se US staff.  en access or forbidden access.

>> Hi Carl, a			1.14.4
* * * * * * * * * * * * * * * * * * *	11:1	11.1	
>>> Thats good to hear that the queue is build. We have a staff member identifi			
project. We can start within 2 days of receiving the documents. Lets have a confi	arence	nexty	veek to
go over the guidelines.			
	Sanda Sanda 19	فالمحاشا لما	ende de el se
> > After the evaluation payment can be by check. I understand you may want			
quickly. So as we start the evaluation, we will start building the team. You can gi number of members you might need.	re us	iningu	Ce OII
populaci or inclinicia Annia Maria Maria Cara del 11 de 11 d			
>>> Thanks	- 5-4-3	1	1144
>>>Sukesh		1111	
>>>Original Message	1111	. 1 1 7 1	1111
>>> From: Carl Ferrer		4313	
> > Date: Sat, 25 Sep 2010 15:29:50	0.000	150	1111
>>> To: Sukesh Mohan			
>>> Cc: Monita Mohan4	0.0.00	2923	er sala
> > Subject: Re: Introduction to Review/ Moderation Services from El Camino	l'echn	ologies	\$ 2 1 2 2
>>>=			
> > I'll send you urls, username and password, and the guidelines next week.	1999		43.444
> > We actually have the queue built and we can start next week.		4414	
212	1991	11.1	4.55
> > I understand you will give me one person to test.	1111	4414	11111
> > But I'll probably want to increase people with in a few days.		- 17.1	
> > When we add people, what's your preference on payment?	100		11-11
>>>		1	
>>>	:	1111	
>>>icarl 8 : 1.1 : 5 : 5 : 5 : 5 : 5 : 5 : 5 : 5 : 5 :	1 8 8 3	1111	
	* * * * .		
> > On Sep 23, 2010, at 11:45 PM, Sukesh Mohan wrote:			1144
	9 i		h k n p i n k n k f
>>> Hi Cart,			1111
\$\$P\$_;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;	i, e a i	1111	1000
> >>> Thanks for your interest in testing us out. Please send us your guidelines			
training and evaluating staff for placement on your project. Attached are our Stat our offices.	ICIP P	aures	595,101
2551 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 - 271 -			
> > > I have copied Monita, our US Project Manager.			
\$555 DIRECT CONTROL OF TOPECHARAGE CONTROL OF THE	hii ii i	1111	11111
* > > Sukesh			
\$ \$ \$ \$ \$ 1 : B d a a a B a a d d a a a a d a a a d a a a a			
> > > On Thu, Sep 23, 2010 at 9:24 PM, Carl Ferrer	₩T	ote.	
>>> Ok, I'd like to test you out.		145	11111
	9839	, 4 4 1 1	1111
>>> To do this right, we probably need to start with 6 staff.	100	3 1 7 1	
****			43.44
>>> Send me your static IP so you can get admin access.			
>>> - I will give them URLS and specific instructions on what to delete.	999		
>>>>			11111
>>> carl			
\$\$\\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\			F 4 F E E
>>>>			
\$\$>\$\$HilCadd	111	. 4 1 1 1	111111
>>>> I will call you during your open time slots.		411	11171
>>>> Sukesh:	0 10 4 4 1 10 2 3		11144
>>>>Original Message		, i [i	
>>>> From: Carl Ferrer		. 1 1 4 1	P7 5 5 5
>>>> To: Sukesh Mohan El Camino Technologies	11 11 12 13		
>>>> Subject: Re: Introduction to Review/ Moderation Services from El Camir	o lec	nnolog	lies
> > >>> Sent: Sep 22, 2010 3:58 PM,			2.8.8.8
5			

- R R R R R R R R R R R R R R R R R R R
>>>> Em in phoenix for a few more days (pacific time)
>>> Pm open 10:00a till 11:30a pacific time.
- <b>្≱្</b> >>> ពេលវិក្រុក។ សុខខាងក្រុមពីពេលនៅ ក្រុកពិត្តមិកខ្ពុំ ពេលកង្កិត្តការការបស់្ត្រាំងក្រុម ម៉ែ
>>>> You can call me then on my cell or some time after 2p pacific.
>>>>
>>>> I'd like to talk about how other sites have organized the data for your staff to remove bad
content, the security, reporting, etc.
>>>> Cardy district to a firm and the annual representation of the first state of the fir
ngan da <del>liki da daka da ka</del> banda nga matalangan da da da mada na kabangan kabangan sa da kabangan sa da kabangan s
>>>> cell
>>>>>
>>>> On Sep 22, 2010, at 3:32 PM, wrote:
>>>
->>>> Hi Carl,
SSSS nand biel and rither addrive nature in the property of the state
>>>>> Sure wold be great to chat. How is tomorrow at 10am Dallas time. My mobile number is
>>>>>
>>>>> Sukesh
>>>> — Original Message—
>>>> From: Catl Ferrer
>>>> To: Sukesh Mohan El Camino Technologies
>>>>> To:
>>>>> Subject: Re: Introduction to Review/Moderation Services from El Camino Technologies
> >>>> Sent: Sep 22, 2010 12:45 PM
######################################
>>>> Are you available for a call?
- * * * * * * * * * * * * * * * * * * *
>>>> Also, lets start emailing me on the backpage email address (I check it had be a feet by
>>>>> more aften).
** *** * * * * * * * * * * * * * * * *
>>>> All Dates and the contract of the contrac
>>>>> Cardo in the control of the co
- S. S. T. E. S. M. William of the control of the c
> > >>> On Tue, Sep 21, 2010 at 12; 16 PM, Sukesh Mohan
** *********************************
3 3 20 3 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
>>>>> Thanks for your interest. Attached is a presentation which covers our
>>>>> company introduction, services offered (review of Ads and Images), working
>>>>> methodology, pricing and customers.
>>>>> Please let me know if you have any questions or if you would like to
>>>>>>italiow-up with a conference call. We can offer 1 month of no charge trial (1)
>>>> person for 1 month:- 6 days a week, 8 hours/ rlay). The translation is a find a near 8
->>> <del>&gt;&gt;&gt;&gt;&gt;</del>
>>>>>Sukesh Mohana a i da ka dida ki baka dida ki baka da ya baka dida ki k
>>>>> Head, Business Development
>>>>> El Camino Technologies, LLC
>>>>>Cell:
\$555 Francisco de la contrata del contrata del contrata de la contrata del contrata de la contrata del contrata de la contrata del contrata de la contrata de la contrata del contrata de la contrata de la contrata de la contrata de la contrata del contrata del contrata del contrata de la contrata del contrata del contrat
>>> <static_ip addresses="" camino="" el="" technologies;doc=""></static_ip>





## All:

Perhaps indefinitely, and certainty over the next four days, we need to intensity our efforts in cleaning Escorts, Body Rubs, Male Escorts, TS Escorts and Dom & Fetish.

This intensification will come in the form of extra staff and ovenime but most importantly in stricter standards for language and images in ads.

I'd like to still avoid Deleting ads when possible, but if an ad makes a clear reference to sex for money or an image displays a sex act., don't hesitate deleting it. These are not the types of ads we want on our site at all.

In the case of lesser violations, editing should be sufficient. We're still allowing phrases with nuance but if something strikes you as crude or obvious, remove the phrase. We're still allowing HBO type nudity but if an image makes you think twice, remove the image. There is zero tolerance for closeups of exposed genitalia:

To make your efforts count, you'll want to lock any ad you have to edit. You can do this by Editing the Ad in Object Editor. In the Ad Object, scroll down to the Violation Flag field and check the Violated Terms of Use box. Then update the ad object. This prevents a user from making any future edits to that specific ad.

If you find yourself locking ads for any user more than twice, lock their entire account. To do this, first View their account.

Andrew Padilla [andrew.padilla@backpage.com] on behalf of Andrew Padilla

Sent:

Sunday, October 17, 2010 12:11 AM

To:

Adam Padilla, Allen | Andrew | Angel | Angel

Some of you already received this presentation by Gtalk but I'm attaching it for those of you that haven't.

For the slides that say Fail, you shouldn't actually use the Fail button in the queue. Whether in the queue or in manual review, images that fit the Fail criteria should be removed from ads.

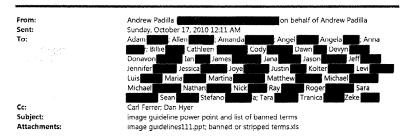
For images described as Graphic Sex Acts, the entire ad should be removed.

This is only a guideline. Most of you already have a good idea of how to handle most images. If that's working for you, stick to it. You're not going to get in trouble for being too clean right now.

Images aside, it's the language in ads that's really killing us with the Attorneys General. Images are almost an afterthought to them.

I'm attaching a list of terms that are either banned or being stripped out automatically by filters. You should be looking for the misspellings that the filters and bans are missing.

Andrew Padilla .
Operations Manager
Backpage.com Village Voice Media



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Andrew Padilla
Operations Manager
Backpage.com | Village Voice Media

Category: Severity: Reproducibility: Date Submitted: Last Update: [Backpage.com] 2010-10-19 17:22 2010-11-14 11:45 minor always backpage.com ferrerc Platform: ferrerc OS: normal OS Version: closed Product Version: Resolution: fixed попе Fixed in Version: none Target Version: support Open Small

MODERATION: Lock edited ads more efficient for violating TOU

We want to edit some ads and immediate lock the ad from being re-edited by the user.

Client puts in bad text or bad pic that violates TOU but is not illegal.

- We edit the post by clicking "Edit this Ad (backpage form)"
- We remove a pic or remove some text
- We have two choices
- 1. Update ad
- 2. And a second button: "Update ad / Violated TOU /lock ad from editing"
- When we click the second option:
- * The change is made on the ad.
- * The ad is checked under violation flag: "violated terms of use"

ice: nation:

ls

Notes
(0039056) This is now live.

DesertNet
2010-11-12 19:33

on behalf of Andrew Padilla

Andrew Padilla
Tuesday, October 26, 2010 1:13 AM
Sara
To
Angela
C Carl Ferrer, Joya
personals and adult jobs queue standards From: Sent: To: Cc: Subject: Personals:
- no sex act pics (full nudity is ok)
- no rates for service (we are keeping out escorts), no mention of money-phrases like "compensation" and "generous" are okay.
- Escort type ads with no rates or mention of money are okay.
- Sugar daddy and generous gentlemen type ads are OK. Note: Adult jobs
Adult jobs
Adult jobs
In escort type price menus (we are keeping out escorts)
In osex act for money (A user can not say I want someone I'll pay \$50 for oral sex)
In oNOT delete: porn jobs. They are legal.
A user can say I want a girl to do a porn video \$1000 for full sex.
It's legal cause it's considered an art form.
It's okay for an employer to mention what the pay for a video shoot will be. Just not escort menus. These are Carl's guidelines from this weekend. I've made a few edits for clarification. Please give Angela a crash course on this if you can so she can pick up these queues at 4am. You can both add an hour to your timesheet for the training. IMPORTANT: Keep an eye on which queue you're in. It's real easy to forget which one you're working in and the standards aren't remotely similar. 1

```
Carl Ferrer
Tuesday, October 26, 2010 12:10 AM
Carl Ferrer
 From:
                                                                                                                         on behalf of Carl Ferrer
 Sent:
                                                    Write up the rule son text to appear on the top of the queue. 
Carl.pdf; __txt
 Subject:
 Attachments:
>>
>>> From: Carl Ferrer
>>> Date: October 25, 2010 12:19:42 PM MST
>>> To: Andrew Padilla
>>> Subject: Update I am giving Scott (i'll call you)
>>> UPDATE:
>>> 1. Hired 13 Indians
>>> 2. Adult jobs and personals under beta moderaiton 3. Added multiple
>>> 2. Adult jobs and personals under beta moderaiton 3. Added multiple
>>> efficiencies to queue.
>>> 4. Created "Edited ad" queue is built with 15 minute window.
>>> 5. We get a lot of complaints about false positives (staff training
>>> issue) 6. Staff requests:
>>> - a check box to delete pics easier (scheduled)
>>> - Show counter with number of ads pending for review in each queue
>>> - Tool to highlight ads in red over 20 minute queue goal and provide reporting.
>>> * number of ads in each queue within selectable time.
>>> * number of ads moderated within a specified time window
>>> *
>>>
 >>> Recommendations:
 >>> 1. Adult jobs:
>>> a. Comments:
>>> a. Comments:
>>> - no plan on bringing photo's back.
>>> - tilegal content removed is usually money for sex act
>>> - The content is pretty clean after removing pics.
>>> b. Category Standards:
>>> - Keep Out escorts
>>> - no sex act for money
>>> - We do NOT delete or fail: porn jobs. They are legal.
 >>>
>>> c. Actions:
>>> Sex act for money ads are deleted.
>>> Hourly rate escort or body rub ads may be moved to the right category.
 >>> 2. Personals
>>> a. Comments:
>>> - heavy graphic content in men seeking men
>>> - illegal content is usually money for sex act
>>> - sex act pics are common problem.
>>> - Are we going to allow nudity displaying any genitalia?
 >>>
 >>> b. Standards:
NOT ALLOWED
 >>> - no sex act pics or gentalia.
```

Andrew Padilla Wednesday, October 27, 2010 11:21 PM on behalf of Andrew Padilla

From: Sent: To: Cc: Subject: Carl Ferrer your crew can edit

Hi Monita,

We need as much direct help from your crew as possible. They should stop Failing ads and begin Editing.

We understand if some mistakes are made. As long as your crew is editing and not removing the ad entirely, we shouldn't upset too many users.

Your crew has permission to edit out text violations and images and then approve the ad.

1

	Category:	Severity:	Reproducibility:	Date Submitted:	Last Update:
	[Backpage.com] backpage.com	minor	always	2010-10-07 11:51	2010-10-27 21:44
	padillaa	Platform:			
	ferrerc	OS:			
	normal	OS Version:			
	closed	Product Version:			
		Resolution:	fixed		
	none				
	none	Fixed in Version:			
		Target Version:			
	support	_			
	Open				
	Small				
-	Add "Violated Terms of I	Jse" button to backpage form	in odmin		
	Add violated refills of (	, ,			
	Can you add a shook how	at the bottom of the Edit This	Ad (basinessa farm) mass that		
	Can you add a check box	at the bottom of the Edit This	Ad (backpage form) page that	allows our moderators to select	"Violated Terms of Use"
	Can you add a check box I'm attaching a really bad		Ad (backpage form) page that	allows our moderators to select	"Violated Terms of Use"
:			Ad (backpage form) page that	allows our moderators to select	"Violated Terms of Use"
			Ad (backpage form) page that	allows our moderators to select	"Violated Terms of Use"
	I'm attaching a really bad	mockup.		allows our moderators to select	"Violated Terms of Use"
	I'm attaching a really bad violated mock 100710.jpg	mockup. 5 (199,479) 2010-10-07 11:51		allows our moderators to select	"Violated Terms of Use"
	I'm attaching a really bad violated mock 100710.jpg	mockup.		allows our moderators to select	"Violated Terms of Use"
	I'm attaching a really bad violated mock 100710.jpg https://tasks.backpage.com Notes	mockup. g (199,479) 2010-10-07 11:51 n/file_download.php?file_id=	3939&type=bug	allows our moderators to select	"Violated Terms of Use"
	I'm attaching a really bad violated mock 100710.jpg https://tasks.backpage.com Notes (0038578)	mockup. 5 (199,479) 2010-10-07 11:51	3939&type=bug	allows our moderators to select	"Violated Terms of Use"
: ion:	I'm attaching a really bad violated mock 100710.jpg https://tasks.backpage.com Notes	mockup.  g (199,479) 2010-10-07 11:51 n/file_download.php?file_id=  Hey, this is really a goo	3939&type=bug od idea.	allows our moderators to select	

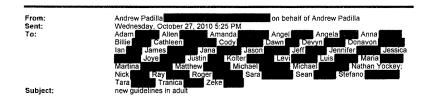
## standard faster.

(0038611) ferrerc 2010-10-27 21:38	Which is better? This task is the similar. We need to decide which one: http://tasks.newtimes.com/view.php?id=12547 [^]	
	This one seems a little more clear. http://tasks.newtimes.com/view.php?id=12686 [^]	
(0038612) ferrerc 2010-10-27 21:44	This task is a duplicate.	

From: Sent:	Andrew Padilla Wednesday, October 27, 2010 5:25 PM
To:	Adam Padilla
Subject:	new guidelines in adult
	nd with listing guidelines in the queue since last night but the language isn't finalized yet. ecifically wind up saying there, here are some new rules:
no bare butts (thongs oka) no penises no breast sucking no GFE, no PSE no pricing for services less	
You can move forward en female frontal nudity will b	forcing these changes immediately. I'll have more instructions later about how much e allowed.
selected.	s for these violations. These ads should be edited and "violated terms of use" should be
We have to be fair to the u	isers and give them time to adapt. Thanks.
Andrew Padilla Operations Manager Backpage.com Village Voice Media	

```
From:
Sent:
To:
Subject:
                                                                         on behalf of Dan Hyer
                                Dan Hyer on benair of Da
Wednesday, October 27, 2010 5:07 PM
Andrew Padilla; Carl Ferrer
Re: Fwd: New posting rules to go on top of the page:
Cool. How can we help?
>>> Andrew Padilla 10/27/2010 10:59 AM >>> i told monita, she could start enforcing the rules listed in the queues and my crew is going to do the same.
as far as the ban on "under an hour" and "bare butts", i might start as early as after lunch.
Andrew Padilla
Operations Manager
Backpage.com | Village Voice Media
>>> On 10/27/2010 at 5:08 AM, Dan Hyer wrote: Only question is when is the launch/official date to start implementation of the new standards?
(ideally on a Monday).
>>> Carl Ferrer final version with erect removed:
                                                          10/27/2010 1:10 AM >>>
> POST LEGAL ADS HERE
> Pricing for legal adult services must be for a minimum of one hour Do
> not suggest an exchange of a sexual act for money.
> Do not use code words such as 'greek', gr33k 'bbbj', 'blow', GFE, PSE, 'trips to greece',
Begin forwarded message:
> From: <u>andrew</u>
> Date: October 26,
> To: "Carl Ferrer"
                              2010 10:21:22 PM MST
                                                                , "Dan Hyer"
   Subject: Re: New posting rules to go on top of the page:
> Subject: Re: New
> Reply-To: andrew
```

```
>>> Do not post obscene images, e.g. uncovered genitalia, sex acts, erect penises, etc.
> This means no nudity below the waist, right?
> -----Original Message-----
> From: Carl Ferrer
> To: Dan Hyer
> To: Dan Hyer
> To: Andrew Padilla
Subject: New posting rules to go on top of the page:
> Sent: Oct 26, 2010 8:54 PM
>
> New posting rules to go on top of the page:
> We will not remove ads with vaginas or penis showing, just the images unless they are a frequent offender.
> We will not remove ads with rates under an hour, just the text with the minimum rates.
> Users need time to react to this change.
> POST LEGAL ADS HERE
> Pricing for legal adult services must be for a minimum of one hour Do
> not suggest an exchange of a sexual act for money.
> Do not use code words such as 'greek', gr33k 'bbbj', 'blow', GFE, PSE, 'trips to greece', etc.
> Do not post obscene images, e.g. uncovered genitalia, sex acts, penises, etc.
> Do not post content which advertises an illegal service.
> Postings not complying with the terms of use are subject to removal.
> Any questions?
> The hard part of this job is the rules keep changing.
> Carl
```



We've been messing around with listing guidelines in the queue since last night but the language isn't finalized yet. Regardless of what we specifically wind up saying there, here are some new rules:

no bare butts (thongs okay)

no penises
no breast sucking
no GFE, no PSE
no pricing for services less than an hour

You can move forward enforcing these changes immediately. I'll have more instructions later about how much female frontal nudity will be allowed.

We won't be removing ads for these violations. These ads should be edited and "violated terms of use" should be selected.

We have to be fair to the users and give them time to adapt.. Thanks.

Andrew Padilla
Operations Manager
Backpage.com i Village Voice Media

From: Sent: To: Cc: Subject:	Monita Mohan Thursday, October 28, 2010 2:37 AM Carl Ferrer Andrew Padilla Re: Can you edit ads now?
Yes I do believe	e will be - I am off to train the staff
Thanks Monita	
On Wed, Oct 27, Awesome.	010 at 6:35 PM, Carl Ferrer wrote:
Removing bad pi	and removing bad text like 15 min 1/2hour is critical.
I think you will b	busy.
carl	
On Oct 27, 2010,	t 6:32 PM, Monita Mohan wrote
> Thanks > Monita > On Wed, Oct 2 > Can you edit at	ads and edit them now in India and here in the US  2010 at 6:25 PM, Carl Ferrer < > wrote: now?  ers added your IP.
	± 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.

App.000139

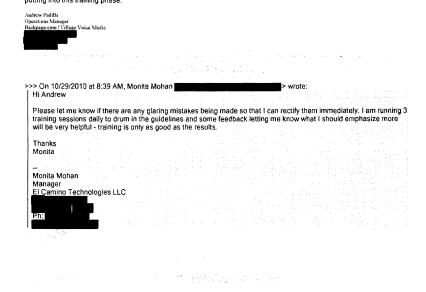


Andrew Padilla Friday, October 29, 2010 5:50 PM Carl Ferrer; Monita Mohan Re: Request quick feedback - are we on track in training? on behalf of Andrew Padilla From: Sent: To: Subject:

# Hi Monita,

# No glaring mistakes that I can see.

It's a little more difficult to provide constructive feedback with your crew editing instead of failing. With a Fail, we can see the ad intact and ask questions; with an Edit we can only see what they've left behind. The risk there is that your crew might be working harder than necessary. After things settle down, we should come up with some quality control tests to make sure they aren't editing too much. In the meantime, I consider it completely acceptable if they are being too strict. The trade off is that you're helping our crew directly and that's tremendous right now. Thank you for all the time you're putting into this training phase.



Andrew Padilla on behalf of Andrew Pa Monday, November 01, 2010 9:22 PM Carl Ferrer: Dan Hyer Re: Fwd: Banned Prostitution-Related Terms List in the Escorts Section From: Sent: on behalf of Andrew Padilla

To: Subject:

most of these are so far fetched, it doesn't matter what we do. they'll never come up.

am i setting up these filters or are we handing it off to someone?

why would we want to highlight a short term like FS but not strip it?

Andrew Padilla

>>> On 11/1/2010 at 1:51 PM, Dan Hyer wrote:

Yes, asp and is are too general.

If our list is concise, eventually, strip term from ad should prompt the terms of use violation, and create edit lock out.

(not now, but maybe in a month once we have a handle on it).

>>> Carl Ferrer < 11/1/2010 3:43 PM >>> See attached banned terms.

- 1. Categories: male escorts, female escorts, domination, body rubs, TS. NOT: phone/web or adult jobs
- 2. Depending on the term, we can either strip out, ban, or create a way that the term is highlighted in the ads on the moderation page.

  Some terms like asp would create a lot of false positives.

  Short terms like "fs" should probably appear highlighted in the queue but not be stripped out.

According to Andrew, strip out should probably be done faster since it shows up in the queue.
 However, we then are alerting the user. Perhaps, we need a setting in strip out as immediate or delayed removal.

Please see the attached list and tell me what you think we should do.  $\label{eq:controller}$ 

cari

Andrew Padilla o Tuesday, November 02, 2010 10:14 PM Carl Fener; Dan Hyer Re: I need a lost of tasks to help your moderators on behalf of Andrew Padilla From: Sent: To: Subject:

i like task 1 but i think it's more of a customer service improvement, not necessarily something that will help a moderator keep the site cleaner.

for task 2, could we strip out / ghost the term? the term would be stripped out of admin instantly but delayed on the admanagement screen indefinitely, user site is cached from admin / origin so we wouldn't run the risk of caching stripped

# separate tasks:

- a. extend the new Red Frame image removal (currently only available in the queue) to the admin view. add an update
- b. develop a way to put a red frame on any word clicked in the queue or admin view, any word with a red frame will be removed when the ad is Approved or updated, add an update button.
- c. automatically purge ads from the cdn that are edited in admin

>> On 11/2/2010 at 2:58 PM, Dan Hyer wrote:

1 like option 3 in Task 2.

Also, would it be too destructive for the user experience to have an automatic edit lock out?

Only imposed if a user tried posting long term, "clearly outlined prior to June of 2010" terms currently in the filter. Example: user tries to put in Greek in an Adult category. "User's account is "locked" with edit lock out.

If a user has 5 community removed ads, they are "locked out" with the next use of a filtered term. Example: support community removed 5 ads, user posts an ad with banned term, user account is "locked" with edit lock out.

I suggest the above because we are starting to ban users who repeatedly violate terms. Mainly Georgia Escorts, and TS, and Male Escorts in upper Northeast.

>>> Carl Ferrer < Task 1 is straight forward.
I'm not sure what to do with Task 2. 11/2/2010 3:07 PM >>>

Do you have any other tasks in mind?

1

TASK 1. Create a way to alert moderators whenever a post is under review longer than 20 minutes.

If adult, adult jobs, or personals ad under review longer than 20 minutes, make the font red for the category.

Here's the queue lay out: adult | adult jobs | personals new | other | failed | | fads with links | old alerts

IF an adult jobs ad is under review status for 21 minutes: THEN, make "adult jobs" in a red font

TASK 2. Increase the speed of the strip out from some terms

- Certain terms we want stripped out fast or even prior to going to the moderation queue GFE, PSE, Spinner, BBBJ, Oral,
- Others terms we want to delay to not show our hand Examples: competition web sites and black hat adult affiliate marketer URLs

# Options:

- Create option on strip out (random or fast)
   This seems kind of complicated.
- Show stripped out terms in yellow highlight in moderation and admin view to let us know it will be removed soon.This seems to help but still means our moderators are looking at something that should be gone already.
- We could also add a list of terms to the filter that should not be stripped out, but could be highlighted in moderation and admin view.

  The terms are possible violation of TOU but are too short to strip out like 83 or ASP. Or, the terms require the context of the entire ad to see if they are bad.

Category:	Severity:	Reproducibility:	Date Submitted:		Last Update:	
[Backpage.com] backpage.com	minor	always	2010-10-25 23:20		2010-11-03 17:11	
ferrerc	Platform:					
DesertNet	OS:					
normal	OS Version:					
closed	Product Version:					
	Resolution:	fixed				
none						
none	Fixed in Version:					
	Target Version:					
support						
Open						
Small						

Strip from ad- add exception list

I am being asked to strip out GFE. It is widely used (it appears in over 100,000 ads).

We added "GFE" to strip out: http://admin.www.backpage.com/tools/object-editor?oid=80029526 [^]

This worked somewhat but it we had to limit it to whole word to prevent it from removing urls like bestgfe.com (a top 10 referral site). It then left like (GFE) or *GFE.

I would like to add an exceptions in the strip out object.

If Exact word is not checked, we could enter exceptions in the strip out object.

Example:

ls

```
Exceptions:
[bestgfe.com]
```

2010-11-03 17:11

The logic is as follows: Strip put GFE unless GFE is contained in the word "bestgfe.com".

Hopefully, this query is not expensive in terms of resources or processing time.

ice:

Notes	
(0038537) <u>DesertNet</u> 2010-10-26 16:52	We think you may be seeing residue from before you had whole word match set as the whole word match will ac what you are describing. More specifically, it will strip these:  blah blah GFE blah blah blah ***GFE*** blah blah (GFE) blah best GFE!  But it wont strip these:  blah bestgfe.com blah blah Anotonio Gfetti
	Are you seeing behavior that contradicts this?
(0038799) <u>ferrerc</u>	I will create a cleaner task to better document problems/solutions.

```
From:
                               sday, November 03, 2010 11:46 PM
Sent:
To:
Subject:
                        [Backpage.com 0012803]. Stripped out term feature needs modification
A NOTE has been added to this issue.
              http://tasks.newtimes.com/view.php?id=12803
                               ferrerc
DesertNet
Assigned To:
Project: Backpage.com
Issue ID:
Category:
Reproducibility:
                               12803
backpage.com
                               always
Severity:
                               minor
Priority:
Status:
                               normal
feedback
Task Type:
Task Activity:
                     support
Open
Small
Task Scope:
Source:
Exp. Start Date:
Exp. Comp. Date:
Fiscal Quarter:
                      11-03-2010 15:36 MST
Date Submitted:
Last Modified:
                               11-03-2010 16:45 MST
Stripped out term feature needs modfification
Description:

    Ads moved to the top, renewed and auto re-post ads need to be processed thru the strip
out term.

Why? We change our posting content rules in adult every 14 days. There are just too many banned terms for us to find and remove that we believe are bypassing the strip out.
The examples below were probably cleans up by staff already. Bit when I went thru them they were live and I got beat up for it:)
Examples in LA for banned term "GFE"
http://losangeles.backpage.com/FemaleEscorts/2-inch-nipples-lax-247-hrs-your-hotel-my-
private-apartment-35/6762139
Approved by bp21 at 2010-11-03 08:32:21. This is a Move to the top ad. It was in the queue and missed. The term is buried in the text as follows:

I WILL GIVE YOU THE G.F.E. YOU ARE DREAMING OF!......
http://losangeles.backpage.com/FemaleEscorts/t_a_k_e-_oo-_-y_o_u_r_-oo-_b_r_e_a_t_h_-oo-
_a_w_a_y-gfe-outcalls-24/11469482
Approved by atl at 2010-11-03 01:39:26.
```

http://losangeles.backpage.com/FemaleEscorts/xxx-porn-stars-abbey-brooks-sara-sloane-jada-

fire-and-more-25/9500016

Ad was purchased \$32.40 on 06-09-2010 and is reposting to top. Repostings are not moderated unless they are edited. GFE was not a banned term at the time ad was posted.

 $\verb|http://losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femaleEscorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femalescorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femalescorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femalescorts/soft-sexy-naughty-gfe-available-outcall-only-losangeles.backpage.com/femalescorts/soft-sexy-naughty-gfe-available-outcall-only-losangelescorts/soft-sexy-naughty-gfe-available-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcall-only-outcal$ 

Another auto repost like above: Auto repost: 4 times every 3 days (next repost: 11/05/2010)

 $\label{thm:http://losangeles.backpage.com/FemaleEscorts/independent-gfe-caucasian-friendly-down-to-earth-and-pretty-25/11438289$ 

Approved by bp22 at 2010-11-02 22:38:03. It looks like a renewal that was missed by the moderator.

 Whole word should strip out banned terms like below: blah blah GFE blah blah blah ***GFE*** blah blah (GFE) blah best GFE!

I'm not convinced this is true. But once we implement change 1 above, we should be able to tell.

- 3. Make the stripped out work faster (or remove it from Admin view) We would like the term to not appear in moderation view
- Or highlight the stripped out term in yellow, so we know to remove the ad or edit it.

Could you suggest a simple solution?

- 4. Highlight terms in yellow in the queue (separate task?) We have several dozen terms which might lead to an ad being removed but they are too short to strip out. We prefer these terms be highlighted in yellow in moderation and/or admin view. Examples: ABJ, ATF, BL. FIV, BLB, CG, DT, HJ, RT
- 5. Deep cleaning (Separate task?) I think it is too dangerous to let our staff strip out some terms from every old ad in the database. Perhaps, we need desertnet to do this.
- we move the terms below from every new and old ad in the database in these categories only:  $\text{FemaleEscorts}, \ \text{MaleEscorts}, \ \text{Bodyrubs}, \ \text{Domination}, \ \text{TranssexualEscorts}.$
- Deep clean stripped out terms:

1/2 hour 1/2 hr 15 min 15 minute 15/mins 15min 15minute 30 min

```
30/mins
30min
30mi
```

```
full-service
FULLISERVI
G.F.E
G.R.E.B.K
GFE
girl friend experience
gr-eek
grassk
greak
greak
greak
greek
grk
heles
half
half and half
half half half
half hour
Half/hr
happy ending
head
hh
hhr
hole
holes
horny
kum
lingam
lolli
manual end
milking
Missionary
MSOG
multi pops
multipops
Oral
ORAL EXAM
ORAL EXAM
ORAL EXAM
ORAL EXPERT
Oral Fixation
orally
orgasm
P.ON PLAY
P.S.E
pegging
porn star experience
PSE
pu$$;
pu$$;
yussy
qh
qk
qky
qq
quickee
quickee
quickee
quickee
qvickie
```

rape rimming Sixty Nine Suck teerage tight wet wett wetter young

padillaa - 11-03-10 16:45 Can we add "qs" to the long list?

I just added a filter for it.

Issue History

5

Date Modified	Username	Field	Change
11-03-10 15:36	ferrerc	New Issue	
11-03-10 15:36	ferrerc	Task Type	=> support
11-03-10 15:36	ferrerc	Task Activity	=> Open
11-03-10 15:36	ferrerc	Task Scope	=> Small
11-03-10 15:45	ferrerc	Assigned To	=> DesertNet
11-03-10 15:45	ferrerc	Status	new => feedback
11-03-10 16:40	ferrerc	Description Updated	
11-03-10 16:45	padillaa	Note Added: 0038803	
			*****

on behalf of Monite Mohan

From: Sent: To: Cc: Subject: Monita Mohar Thursday, November 04, 2010 4:55 AM Carl Ferrer Sukesh Mohan; Andrew Padilla Re: Backed up queues and increased volume

Thanks for the update Carl - will let you know with regard to extra staff.

M

On Wed, Nov 3, 2010 at 8:07 PM, Carl Ferrer words:

The other queue for adult is 15 pages tonight. The increase in volume in the queues is from me sending ads that had been approved previously and then "moved to the top" by the user.

I believe a 1/3rd of those ads may need to be edited. Many of the ads need to have 15 minute and 30 minute

pricing removed.

Some have naked pics. So, it is a slow process to edit these ads.

As always, ads under review are top priority. However, 1 'm being evaluated by lawyers later this week so cleaning up old stuff is also important.

I did get approval to go to 30 people in order to keep up with all queues.

Please let me know if you think you need the staff.

Carl

Monita Mohan Manager

El Camino Technologies LLC

From: Sent: To: Subject:	Andrew Padilla on behalf of Andrew Padilla Friday, November 05, 2010 12:52 AM Carl Ferrer, Monita Mohan Re: FY1 - removing these images
Agreed  Andrew Padilla Operations Manager	
Backnace.com Villace Voice Media	
>>> On 11/4/2010 at 5:24 Hi Andrew and Carl	PM, Monita Mohan
I am removing these in of the ad.	
Thanks	
Monita Mohan Manager El Camino Technologia	
	•

From: Sent: To:	support@villagevoicemedia.com Tuesdav. November 16, 2010 7:02 PM
Subject:	[Backpage.com 0012840]: Admin data box when in ADMIN: add moderation log field
The following issue h	has been RESOLVED.
http://tasks.vvmedia.	.com/view.php?id=12840
Reported By:	ferrerc
Assigned To:	ferrerc
Project:	Backpage.com
Issue ID:	12840
Category:	backpage.com
Reproducibility:	always
Severity:	minor
Priority: Status:	normal
Task Type:	resolved .support
Task Activity:	Open
Task Scope:	Small
Source:	granden in the contract of the
Exp. Start Date:	
Exp. Comp. Date:	
Fiscal Quarter:	
Resolution:	ореп
Fixed in Version:	
	***************************************
Date Submitted:	11-09-2010 21:17 MST
Last Modified:	11-16-2010 12:01 MST
Summary:	Admin data box when in ADMIN: add moderation log
field	Admin data box when in Abmin. add moderation log
Description:	
	o not see the moderation log in the admin data box.
See here: (no moderat	tion log)
http://admin.newyork	.backpage.com/BodyRubs/s e x x y -h o t- a s i a n -22/17957599
	eue, I can see the admin data box. But our US staff will browse the site rrors, they need to send them to the person making the mistake.
1. Add Moderation Log Example:	g to admin data box (when in admin view):
	ed by at1 at 2010-11-09 10:08:50.
***************	x x q = = 0 c c x x x x x x x x x x x x x x x x x
	1

Carl Ferrer On behalf of Carl Ferrer Wednesday, November 17, 2010 7:05 AM Andrew Padilla, Dan Hyer Meetings and actions From: Sent: Subject: The consensus is that we took a big step in the right direction. The content looks great. Our goal is to to tame the content down even further while keeping good content and users. Please be ready to discuss tomorrow. Items to I agreed to implement a. "xxx"- strip it out as even a partial term b. wet- strip out as a whole term c. Lolita -ban or strip out (it is code for under aged girl d. Pregnant- strip out term 2. Remove ads changes es (body rubs) Pregnant ads 3. Pricing
They agree 30 minutes can be in massage ads (body rubs)
I said we can not separate massage into separate queues (but maybe I should)
But it is bad policy to have 30 minutes in escorts
They think pricing numbers by themselves should be left alone
\$80/\$120/\$240 120/240 They just want quickees, 15 minutes, and 30 minutes I need a list of examples to get approved by scott 4. I should make the API a priority with Cypertipline 5. We can come up with a FAQ for users posting in adult  $6.\ \mbox{We should}$  include time date stamp on admin objects for subpoenas 7. Move to 500 characters max. (ASAP) 8. Ban nipples (dec 1) Almost all ads have breasts covered. 9. Kill TER links in ads on Jan 1But allow users to put is TER IDs (just no live links)



All:

Between everyone's manual moderation, both in the queue and on the site, and the Strip Term From Ad filters, things are cleaner than ever in the Adult section.

In an effort to strengthen the filters even more and avoid the repetitive task of manually removing the same phrases everyday, can every moderator start making a list of phrases you manually remove on a regular basis? For instance, "bend me over" or "explosive"; phrases that are suggestive without actually being coded terms.

included in your lists should be popular misspellings of previously banned terms that are still slipping by.

To avoid unnecessary duplicates. I'm attaching a spreadsheet with the most current list of coded terms set to be stripped out.

Email your lists to me by the end of the day on Monday 12/6. Thanks.

Androw Padilla
Operations Manager
Hackpage.com Village Voice Modia

From: Sent: To: Andrew Padilla Wednesday, Decer Adam Aller Billie Cathle on behalf of Andrew Padilla Cc: Subject: Attachments: Carl Ferrer; Joye suggestive phrases stripped terms in adult 120110.xls

### All:

Between everyone's manual moderation, both in the queue and on the site, and the Strip Term From Ad filters, things are cleaner than ever in the Adult section.

In an effort to strengthen the filters even more and avoid the repetitive task of manually removing the same phrases everyday, can every moderator start making a list of phrases you manually remove on a regular basis? For instance, "bend me over" or "explosive"; phrases that are suggestive without actually being coded terms.

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To avoid unnecessary duplicates, I'm attaching a spreadsheet with the most current list of coded terms set to be stripped out.

Email your lists to me by the end of the day on Monday 12/6. Thanks.

1

```
@N@L
1/2 hr
15 min
15 mins
15 minutes
30 min
30 minutes
30 min
30 minutes
30 min
30 minutes
30 min
40 min
50 minutes
38-& 1 J
40 min
50 mins
a-level
a2m
all inclusive anal
B.a.C.k.Y.a.R.d.
b.b.b.j.
back door
backdoor
back
```

App.000159

BP-PSI-019470-A1 Document Natively Produced to PSI blowing
blowjob
blowpop
blowpop
blows
bng
brown shower
Brwn Showers
bukkake
c. u.m.
car date
cat bath
catheter
bbj
CBT
CBT
CBT/NT
cds
CIM
Cock
cock and ball bondage
cock and ball torture
creample
cum
cum
d.a.ty
d.a.ty
d.a.ty
d.a.ty
dato
daty
deep throat
deepthroat

1

App.000160

BP-PSI-019470-A2 Document Natively Produced to PSI foreign languages
fov
FS
Fuck
fuk
ful/serv
full release
full service
Full Services
full-service
FULLSERVI
G.F.E
G.R.E.B.K
GFE
girl friend experience
girlfriend experience
girlfriend experience
golden shower
golden showers
Golden Showers
Golden Showers
Golden Showers
Golnen Sh

1

App.000161

BP-PSI-019470-A3 Document Natively Produced to PSI manual end milking Missionary MSOG multi pops multipops nasty sanchez Nookie nqbs nqns nurse maid nursemaid Nympho Oral CRAL EXAM ORAL EXPERT Oral Fixation orally orgasm owo P-ON PLAY P.r.o.s.t.a.t.e. P.S.E pegging prüst@te pregnant prostate exam PSE pu\$\$i pu\$\$y pussy qk qky qq qs quickee quickie quicky quikee qv rape imming scrotal infusion scrotal infusions sexygfes Sixty Nine snowball sot spinner

1

App.000162

BP-PSI-019470-A4 Document Natively Produced to PSI squirter
strap on
strap-on play
Strap-on
Strap-on Training
Strapon
Suck
teenage
tight
toftt
tubaholic
tuma
wet
wett
wett
wett
wetter
xxx
ymmv
young

1

App.000163

BP-PSI-019470-A5 Document Natively Produced to PSI

Category:	Severity:	Reproducibility:	Date Submitted:	Last Update:
[Backpage.com] backpage.com	minor	always	2010-12-02 16:45	2010-12-02 17:14
padillaa	Platform:			
padillaa	OS:			
high	OS Version:			
closed	Product Version:			
	Resolution:	fixed		
none				
none	Fixed in Version:			
	Target Version:			
support				
Open				
Small				

terms are stripped from the edit page but not from admin or user view Here's the admin view of an ad with GFE in the title

http://admin.newyork.backpage.com/FemaleEscorts/s_u_p_e_r_-s_w_e_e_t-100-real-fun-asian-gfe-22/18400059 [^]

The user view:

ls

http://newyork.backpage.com/FemaleEscorts/s_u_p_e_r_-s_w_e_e_t-100-real-fun-asian-gfe-22/18400059 [^]

And the backpage edit form:

 $\underline{http://admin.newyork.backpage.com/online/classifieds/EditAd?oid=18400059\&id=www-9742f1b6fc7d1afe34af82237c783e09-1291225077~[ ]$ 

The edit form is the only one where the term has been stripped out. Any idea how this is happening?

# ice: nation:

Notes	
(0039405)	Here's another example:
padillaa 2010-12-02 16:47	http://admin.newyork.backpage.com/FemaleEscorts/new-andgt-100real-100sweet-100tasty-true-asian-gfe-23/184
	http://admin.newyork.backpage.com/online/classifieds/EditAd?oid=18423097&id=www-2f9380da2c8695cc816:1291318011 [^]
(0039406) DesertNet	Thank. Yeah, that's the Header field which is actually unique from the Title field. Normally it wouldn't need to b gets rebuilt from the Title and other meta information each time the ad saves.
2010-12-02 17:12	However, our recent change that moved where the strip terms happens bypasses this saving routine creating this rolling out a patch now to address this.
	Thanks for reproting it.
(0039407)	Thanks.
padillaa 2010-12-02 17:14	

From: Sent: To: Subject: Stephen [urban or Friday, December 03, 2010 5:43 PM Carl Ferrer Re:: hello and how are you? on behalf of Stephen Looking forward to w4m being opened... What does it take to get my directory into the escorts section? On Fri, Dec 3, 2010 at 12:33 PM, Carl Ferrer There's a few national deal sales, but most other sites get banned or ghosted. wrote: w4m should be online soon after Jan 1. carl On Dec 3, 2010, at 10:02 AM, Stephen wrote: Hi Carl, Working hard and trying to make a living. When is the w4m and casual sections back online? I see that there are directories advertised in the "escorts" section.

Would there be a problem if I advertised my directory there as well? Regards, Stephen On Tue, Nov 30, 2010 at 11:25 PM, Carl Ferrer wrote: Stephen,
Email is best for me....unless you are my mother or my wife. Hope all is well for you. What's up? carl On Nov 30, 2010, at 12:09 PM, Stephen wrote: > Hi Carl, > Hope all is well. > I would like to talk with you. > When would you be available and at what number can I reach you? > Regards,

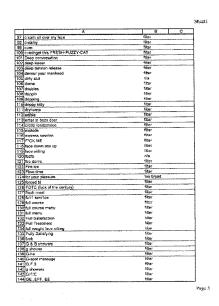
> > Stephen

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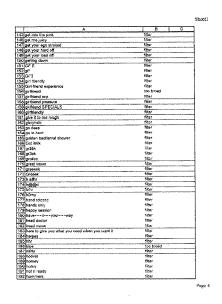
BP-PSI-2_00008825

	A	BC
g,	b@ckdoo:	filter
C.	b'n'i	fitter
1	b26	n/a
2	back after	filter
3	Back-door	filter
4	Deckstage	filter
ā	backstage pass	filter
ĕ	ball torture	fiter
7	beng for your back	filter
8	base	fitter
9	BD (big dick)	highlight
	Becky	filter
	bend over and be my blich	Siter
	bt3	filter
	Body 2 body	n/a
	body silde	nía
	body2body	0/4
	badyslide	nía
	boting	filter
	BOOTY	oin
	Bottom	too heard
	boltoms up	filter
	boyfriend experience	iller
	bpgfe	filter
	broating in	titor
	bumper senices	18ter
	bust a nut	fiker
	c um	filter
	C.9 M.M	Sker
	c'ck hungry	fice
ä	o'm	Ster
	C/U/M	filer
	loandy stick	Shor
	cart est just one	hite/
	car date	filter
	icat	too broad
	col	hiter
	cis	Glien
	chocolete dream pie	n/a
	clean your gipes	filter
ä.	come get some luicy are	filer
	COME OVER ME WITH YOUR LOVE	filter
	come paint me	DRef
0	complete	too broad
	Completion	filter
	Competion	filter
	covered conversation	filter
	Covered corvos	filter

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HIGHLY CONFIDENTIAL BP-PSI-2_00008827



HIGHLY CONFIDENTIAL BP-PSI-2_00008828

HIGHLY CONFIDENTIAL

BP-PSI-2_00008829

_	Å	8 8	C
41	niake jove	filter	
242	make me moan	filte:	
	make you moan	fiter	
	Meat Stick	fiter	
45	met in mouth	ficer	
46	melt in your mouth not in your hand	tilter	
47	mit	n/a	
248	mik	filter	
249	milliona	PRer .	
250	mitty	fiter	
251	mind blowing	filter	
252	moiet	fitter	
233	multiple finishes	filter	
	mutiples	filter	
255	my lips and fingers	filter	
256	Irry tengue ring is a magical seduction ready for suction	filter	
	nO hol3s berred	fitter	
258	natural conversation	titer	
269	natural conves	filter	
266	pimf	filter	
261	Inimfo	filter	
262	no alove no love	tilter	
	No limitations	Tiller	
	no limits	filter	
	not of ready	filter	
	inutoracking	filter	
	Nymph	filter	***********
265	Nymphatte	filter	
269	pymoho	filter	
	On my knees	filter	
	on my knees	filter	
	on my lips	filter	
	ori	fiter	
	D C 5.5.7	filter	
	pOm	filter	
278	panting are of	biter	
	penetrating	filter	
	polito	color	
	pink	(Rai	
	pop	nia	
	Docto	fitter	
	pound	fihor	*****
283	pounding	titler	
	pouratry	highlight	
	preggo	highlight	
	priso	highlight	
	prostate	tigar tigar	
	prostate maseage	filles	

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| Sheet | Shee

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8P-PSI-2_00008831

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BP-PSI-2_00008832

255 Systemus approvince
255 Systemus
256 Systemus
257 Systemus
25

Page 9

BP-PSI-2_00009833 HIGHLY CONFIDENTIAL

phrase	designation	notes
69	too broad	
(P) U \$ \$ (Y)	filter	
{x}xxx}	filter	
#N#0#C#0#V#3#R#	filter	
                                                                                                                                                                                                                                                                                                                                                     	filter	
\$\$\$j	filter	
\$\$j	filter	
\$i	filter	
\$nowbunny	filter	
Squirt	filter	
\$trap on	filter	
0.5 (without the zero)	too broad	
Oral	filter	
1/3	filter	
·/ ₄	filter	
15/40	too broad	
3 doors open	filter	
3-somes	filter	
3some	filter	
3sum	filter	
420 friendly	n/a	
45 mins	filter	
All 3 doors	filter	
All 3 holes	filter	
all access	filter	
all acess	filter	
All Axxess	filter	
all doors open	filter	
All inclusive	filter	
all options avail	filter	
all three doors	filter	
all three holes	filter	
alley girl	filter	
always leave happy	filter	
an plosive	filter	
ana!	filter	
anl	filter	exact word
anything goes	filter	
Anything Goes (wink wink)	filter	
arouse you in person	filter	
ask me where I want it	filter	
ass up panties down	filter	
BOOTY	n/a	
b shower	filter	
b.all torture	filter	
b@ckdoor	filter	
b@ckdoor	filter	
b*n*j	filter	
b2b	n/a	

back alley Back-door backstage backstage pass ball torture bang for your buck filter filter filter filter filter bare BD (big dick) filter highlight Becky bend over and be my bitch bf3 filter filter filter n/a n/a n/a Body 2 body body slide body2body bodyslide boning BOOTY Bottom n/a filter too broad bottoms up boyfriend experience filter boyfriend experied bpg...f.e breaking in bumper services bust a nut c u m C.U.M.M. c*ck hungry c*m C/U/M candy stick filter filter filter filter filter filter filter filter candy stick cant eat just one filter filter car date cat cbt cfs filter too broad filter filter chocolate dream pie clean your pipes come get some juicy ass COME OVER ME WITH YOUR LOVE n/a filter filter filter come paint me complete Completion covered filter too broad filter filter covered conversation covered convos cream all over my face creamy filter filter filter filter filter filter cum cuminget this FRESH-PUZZY-CAT Deep conversation deep kisser filter filter

deep tension release devour your manhood dirty slut dome filter filter n/a filter doubles drippin filter filter dripping drippy kitty dryhump edible enter in back door erotic rendezvous filter filter filter filter erotic rendezvous explode express session F*CK ME face down ass up face sitting fb2fb fire dome Fire-tice Flow-time for your pleasure filter filter filter filter filter n/a filter filter filter Flow-time for your pleasure for your pleasure forced bi FOTC (fuck of the century) fresh meat full service full course full course full course menu full menu Full Satisfaction Full Treatment full weight face sitting Fully Satisfying fock G & B showers g shower too broad filter g shower G-f-e G-spot massage G.F.3. filter filter filter G.F.3.
g.showers
G/F/E
GE.EFF..EE
get into the pink
get me juicy
get your ego stroked
get your hard off
get your load off
getting down
GF E
gf*
GF3 filter filter filter filter filter filter filter filter filter filter

girl friendly Girl-friend experience girlfriend girlfriend exp girlfriend pleasure girlfriend SPECIALS filter filter too broad filter filter girlfriendly give it to me rough gloryhole go deep filter filter filter go in hard golden baptismal shower Got Milk filter filter filter gr\$\$k gr3ak gre#ce filter great kisser filter greeeek Greeek h alfhr filter filter h@@d h/hr filter h0rny hand release filter filter hands only
happy session
have---it---your----way
head doctor
head nurse filter filter filter near nurse here to give you what you need when you want it herpes hhr hips hif/hr filter filter filter too broad filter hoover filter horney horny hot n ready hummers filter filter filter filter hummers
hung and ready to release
hung men only
laim to please
I always say yes
I am bow legged and have very nice rack
I do everything
I do it all
I do what she won!* filter filter filter n/a filter filter filter filter filter filter I do what she won't
I don't say no
I enjoy being on top
I just love to eat caucasian meat filter filter

I love to
I love to make it rain
I need your hard
I never say no
I want your cream
I wasn't done daddy
I will do all those naughty lil things your wifey won't!
I'll do things she won't do
I'll do what she wont
I'll get it juicy
I'm a bottom
I'm a top
I'm a top you're a bottom too broad filter filter filter filter filter filter filter filter I'm a top you're a bottom lce-fire interested in breaking in the fresh meat filter interested in bri juicy pink kitty kitty kat kitti kitty kum kumed kumm lactating lady pipe let me sit on it too broad filter lets bone lip service lips only Love Stick filter filter too broad loves bottom filter loves to deep kiss loves to ride filter loves to fide loves top make love make me moan filter make you moan Meat Stick melt in mouth filter filter melt in your mouth not in your hand milf filter n/a filter filter milk milking milky mind blowing filter moist multiple finishes filter multiples my lips and fingers filter

my tongue ring is a magical seduction ready for suction n0 hol3s barred natural conversation natural convos filter filter filter filter nimf nimfo filter filter filter filter filter no glove no love No limitations no limits not n' ready nutcracking Nymph filter filter filter filter nympho On my knees on my knees on my lips orll filter filter filter p.u.s.s.y p0rn panties are off filter filter filter penetrating petite n/a filter pink pnp n/a filter porn pound filter filter pounding pounding preg preggo preggo prostate prostate massage prostrate highlight highlight highlight filter filter pu\$\$y
put a sponge in my panties
put it in my kitty
Q.Q. filter filter filter filter Q.Q.
qfe
quicktime
rbgfe
Ready 2 get worked
ready to bust
ready to play with me
release
release tension filter filter filter filter filter n/a filter filter release your tension ride filter too broad filter ride me ride this pony filter

ride your pony	filter
rider	filter
riding wood	filter
rock your world	n/a
roman showers	filter
russian massage	filter
spinner	filter
sacred spot	filter
safe	n/a
satisfaction guaranteed	filter
satisfy your needs	filter
scat	filter
sensual satisfaction	filter
sex ·	filter
sey (sex)	filter
shemale experience	filter
shiftmaster	filter
shoot all your hot stuff all over me	filter
short session	filter
shower shows	filter
showers	filter
ski	n/a
skwirt	filter
slip n slide	filter
slow strokes	filter
slurp	filter
slurp slurp	filter
slurpy	filter
slut	n/a
slut! Ill have u squirting!	filter
SME	?
snow bunny	n/a
snowbuni	n/a
snowbunni	n/a
snowbunny	n/a
soak my kitty	filter
soak*d	filter
soaked	filter
soaking	filter
specialist	n/a
spiner	filter
spinner	filter
splash on buzzims experience	filter
squirt	filter
squ*rt	filter
squirt	filter
squirting	filter
squrrrt	filter
stimulation	n/a
str^p on pl^y	filter
strap action	filter

BP-PSI-00013247-A7 Document Native File Produced to PSI

exact word

filter filter filter filter stroke you stuff me like a turkey suckable suction super head super soaker filter superdome swallow swallows sWeET filter n/a n/a filter switch take a l-o-a-d take a load off on me take it all filter filter take it all
take your load off
temporary girl friend
they both do everything and are very eager to please
thick end for you to cream in
threesome
tite
tht explosive filter filter filter filter filter filter tnt explosive tongue massage Top Top of your to do list top/bottom ton and explore touch my kitty transexual experience trip to the islands filter too broad filter filter filter filter filter filter trip to the Islands
triple x
twice (next to pricing)
twink
twinkle
un covered filter too broad n/a uncovered uncovered uncovered services filter filter filter uncovered services unsafe until you're ready to let go vip experience vip service VIP two cup special vv3t (two v's) W 3 t w"b"; w3+t w3t w3t! w3t! n/a filter na/ n/a filter filter filter filter filter w3tt filter filter water sports

watersports
we'cum
filter
wett
wetter
watter
what she won't do, I will
will please your every need
will please your every need
filter
wink
filter
wink
filter
wink
filter
with a very cute little kitty
filter
with all the benefits
filter
with benefits
filter
with benefits
filter
with plode
filter
x x y x x x x x x x x x x filter
x x x x star service
x/x/x/
filter
xxx
xxyplosive
xxxxtar
xxxyplosive
filter
yoni
yoni
your girl next door thats always willing to please a neighbor
filter
filter
filter
filter
filter

App.000185

BP-PSI-00013247-A9 Document Native File Produced to PSI

on behalf of Andrew Padilla

- 45.5 a.;

Andrew Padilla Friday, December 10, 2010 5.05 AM Carl Ferrer Joya new filters final big list of new phrases - FINAL xls

From: Sent: To: Co: Subject: Attachments:

We'll start creating these filters tomorrow.

From: Sent: To: Subject: Attachments:

Sales Monday, December 13, 2010 8:41 PM
Carl Ferrer
Pwd: Re: not specified Support Ticket 1291773342: I can't find my ad.
Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.; Re: not specified Support Ticket 1291773342: I can't find my ad.

Carl, you don't have to read these, but this is just a sample of this user and some of the whining we deal with.

Point blank, she knows she's caught, and now she's trying to debate her way out of it by pointing out everyone else in violation.

I'd say about 75% of the users we contact are converted to compliant.

Thomas, here's who we are dealing with.

From: Andrew Padilla on behalf of Andrew Padilla

Sent: Wednesday, December 15, 2010 4:57 PM

To: Dan Hyer

Cc: Carl Ferrer

Subject: Re: User who calls us every day

no blank pricing, it's that simple.

and nothing under an hour. so if they're putting rates for less than an hour and a filter catches it, they wind up with an ad that effectively has blank pricing, and then a moderator browsing the site is going to pull the numbers left behind in the menu.

>>> On 12/15/2010 at 9:53 AM, Dan Hyer wrote: Understood - but our users are utterly confused by this. >>> Andrew Padilla 12/15/2010 10:52 AM >>> we haven't allowed blank rates since we started going after rates at all. how well we've enforced that is another story. i got the go ahead to allow some blank pricing but the instructions were so vague I didn't pass it on to the here's a few examples of what I think hemu thinks: 120 [ckay] XXXXXXXXXXXXXXX 120 hour [okay] 100 hour [not okay] 100 [maybe okay] so for the sake of simplicity, any blank rate gets removed. Otherwise, i'm afraid the second to last example would start getting approved too much. >>> On 12/15/2010 at 9:39 AM, Dan Hyer wrote:
Not presently, which is our problem when they call us. We can start doing screenshots, maybe that will work. Also, are we now removing rates?

We are starting to hear from users who aren't able to list any rates (even though they don't reference a time).

>>> Andrew Padilla 12/15/2010 10:31 AM >>> do you have any way of knowing what her ad looks like originally? can she send us that? all text and pics.

then I can talk to the last three guys that touched her ads (and the crew in general) to leave her alone.

>>> On 12/15/2010 at 8:52 AM, Dan Hyer wrote: http://admin.www.backpage.com/classifieds/central/ManageAds?user=iluvbahamas31%40hotmail.com

We have no idea why she is getting blocked/edit lock out.

It happens every day, and we can't figure out what it is.

Approved by bp3 at 2010-12-14 18:39:39

From: Sent: To: Subject: Attachments:

Carl Ferrer
Monday, December 20, 2010 8.34 PM
Scott Spear
Adult Changes done to date, standards and other content possible changes.
Moderation_tasksUPDATEDEC 20.doc

#### **UPDATE DEC 20, 2010**

- 1. Add non-US markets to all moderation queues (done 10/20/2010)
- 2. Purchased software to provide 4 color subpoenas. (done 10/20/2010)

### 3. MODERATION: Image queues

Determined to be not necessary. We created the ability to delete image in one click from the ad moderation queue and organized 4 images in one glance (done 11/2/2010)

- $4.\ Added\ feature\ to\ Lock\ out\ from\ editing\ ads\ for\ bad\ user.\ (done\ 11/14/10)$
- 5. Moderation edited ads (done 11/14/10) All edited ads for moderated queue go into edited ad queue. Added staff to moderate.
- 6. Auto-reposted and move top ads added to the queue. (done 11/14/10) Any new ad, auto-repost, move to the top, or renewed ads should all go to the queue unless it has an approved date in the ModerationLog with a date newer or equal to 11/4/2010.
- 7. Html images not allowed (done 11/14/10)

All adult and personals categories are now locked out of html images except phone/web and whitelisted users.

- 8. Reduced the number of characters allowed in an ad (done 11/14/10) Set to 500 characters includes spaces and lines.

9. No Nudity (done 11/18/10) Huge change. Reprocessed all ads thru all queues.

- 10. Added unique moderator names for all moderators for better accountability (11/20/2010)
- 11. Phone/web category added to moderation (done 11/30/10)
- 12. Created queue to manually check postings with links and urls offsite (done 11/30/10)
- 13. Alert moderators whenever a post is under review longer than 20 minutes. (done 12/5/10)
- 14. Re-moderate content

Sent all ads in moved to the top, renewed and auto re-posted to back to queue to catch a few nude pics. (done 12/13/2010)

15. Make the stripped out work faster (done 12/5/2010)

- 16. Added time date stamps with Time zone for better subpoena compliance.
- 17. Deep cleaning (done 12/5/2010)
  Strip out bad terms from every old ad in the database.
- 18. Add national ads to queues (done 12/5/2010)
- 19. Age verification content viewing Not necessary
- 20. Highlight terms in yellow in the queue (planning)
  Terms be highlighted in yellow in moderation and/or admin view. Examples: top, bottom, ABJ, ATF, BL. FIV, BLB, CG, DT, HJ, RT
- 21. Added more terms to ban or strip out (on going) 500 terms added 12/1/2010 2000 more terms to be added by March 31.
- 22. MODERATION: Add therapeutic massage Planning. The category is not a major problem and we want India and US staff to get better before adding this queue.
- 23. Track Moderator performance (scheduled)
- 24. Creating API to auto report ads to cybertipline (ETA 12/31/2010)
- Forums
   Updating software to take advantage of better tools for moderation provided by software creator: VBulletin (ETA 1/31/2011)
- 26. Stripping out Review links from new postings (done)
- 27. Fixing User reporting Step one is scheduled (add CAPTCHA)
- 28. NCMEC: Child Porn url list
- 29. NCMEC: Porn Image Hash list
- 30. Pending: In 2011, adding internet user safety section to provide information on avoiding and recognizing seams, explaining illegal ads, linking to legitimate NGO's, explaining reporting mechanisms, providing access information to Law Enforcement, FTC tips, and other safety, security and privacy tips.

### STANDARDS BY CATEGORY

1. Escorts and Body rubs: NOT ALLOWED

- * No pics showing full nudity, nipples, genitalia, bare butts or sex acts. No sex act for
- * No text with sex act for money. No coded sex acts terms: GFE, PSE, BBBJ, DATY,
- etc.
  * No rates under one hour (15 mins and 1/2 hour rates are not OK.)

### ALLOWED

- * Bikini, lingerie, g-string, thong, and hands covering nipples are all allowed. * Hourly rates are OK. Special \$xx is OK

# 2. Adult jobs NOT ALLOWED

- * No sex act for money. Example: A user can not say I'll pay \$50 for oral sex. ALLOWED
- * Hiring for strip clubs, modeling, escort agencies, and porn jobs.

  * Leave escort, massage, house cleaning type ads with price menus (later we may move them to the right category).
  - * Porn jobs can include sex for money text. Porn is considered art.
  - * Users can ask to hire escorts, modeling, massages & nude house cleaning

### 3. Phone web

### NOT ALLOWED

- * No pics showing full nudity, nipples, genitalia, bare butts or sex acts. * No sex act for money. Example: A user can not say I'll pay \$50 for oral sex.

  * No links to porn sites

- * Phone talk lines (phone sex), dating sites, other escort sites, etc.
- * Bikini, lingerie, g-string, thong, and hands covering nipples are all allowed.

## 4. Personals

- 4. Personals
  NOT ALLOWED

  * No sex act for money in text.

  * No pics showing full nudity, nipples, genitalia, bare butts or sex acts.

  * Leave escorts or massages with rates (later we may move them to the right category).

- ALLOWED

  * Graphic Sex act language. Example: A user can say they want sex acts.

  * Sugar daddy, generous gentlemen, offers to help pay bills.

  * Massages, modeling,companionship offers with NO rates.

  - * Bikini, lingerie, g-string, thong, and hands covering nipples are all allowed.

# PROPOSED CONTENT CHANGES

- 1. Eliminate all live links.
  2. Add warning to URLS off-site
  3. Limit ad content to 300 characters total
  4. Eliminate all pricing.
  5. Re-do graphic standard to Victoria Secret.
  (an actual top piece of clothing).
  6. Add registration/account establishment with credit card to view adult section
  7. Add parental setting to adult section that can be turned off without affecting CDN and SEO.
  8. Limit adult advertising to major markets (top 40?) only.
- 8. Limit adult advertising to major markets (top 40?) only

```
From:
                         Thursday, December 30, 2010 1:04 AM
Sent:
To:
Subject:
                         [Backpage.com 0012985]: Deep cleaning strip out
The following issue has been RESOLVED.
http://tasks.vvmedia.com/view.php?id=12985
Reported By: ferrerc
Assigned To: ferrerc
Project:
Issue ID:
                               Backpage.com
12985
                               backpage.com
always
minor
urgent
Category:
Reproducibility:
Severity:
Priority:
Status:
Task Type:
Task Activity:
                                resolved
support
                        Open
Small
Task Scope:
Source:
Source:

Exp. Start Date:

Exp. Comp. Date:

Fiscal Quarter:

Resolution:

reopened

Fixed in Version:
Date Submitted:
Last Modified:
                                12-02-2010 16:42 MST
12-29-2010 18:04 MST
Summary: Deep cleaning strip out
Description:
Remove the terms below from every old ad in the database.
Restrict removal of terms to these categories:
FemaleEscorts, MaleEscorts, Bodyrubs, Domination, TranssexualEscorts.
- Deep clean stripped out terms:
1/2 hour
1/2 hr
1/2 hr
15 min
15 minute
15/mins
15min
15minute
30 min
30/mins
30min
38-& 11
@N@L
                                                     1
```

```
anal
B.a.C.k.Y.a.R.d.
b.b.b.j
b.b.b.j
back door
backdoor
bang
bare back
bareback
bbbj
bbjs
blow
blow job
blow of go
blow
```

2

```
GFE
girl friend experience
girlfriend experience
girleriend experience
greek
gre8k
gre3k
grecce
grek
grk
h01es
half and half
half and half
half hour
Half/hr
happy ending
head
hh
hhr
hole
holes
horny
kum
lingam
lolli
manual end
milking
Missionary
MSOG
multi pops
multipops
Oral
ORAL EXAM
ORAL EXPERT
Oral fixation
orally
orgasm
P-ON PLAY
P-S.E
pegging
porn star experience
PSE
pu$$i
pu$$i
pu$siy
pussy
qh
qk
qk
qky
qq
quickee
quickie
quicky
quikee
qv
rape
rimming
Suck
teenage
```

3

tight wet
wetter
young
ferrerc - 12-83-16 10:47
The reacsn why this is important is "links to other ads by this user" will often have bad content. So, Scott Spear wants me to kill links " to other ads by this user" but our users love it.
So, best to do the deep cleaning and not kill a valuable feature.
DesertNet - 12-03-10 10:56
Thanks. Yeah, we agree. Losign that feature would be a big loss to users.
We'll work on this solution.
Important question: do you think this is a one time event or do you think you'll have additional terms you'll want to deep cleanse in the future?
ferrerc - 12-03-10 11:15
One time request. I'll ask Andrew to add any other strip out terms.
padillaa - 12-03-10 12:09
I've attached an updated list of terms set for strip out.
DesertNet - 12-06-10 17:00
We have a script ready to go.
Can you confirm that each of these terms are in the FilterTerm class? If not, can you add them?
Our approach is going to be a full scrub of every filter term that should be removed over every ad in these specific categories. We'll start with the ones that are flagged to show more ads by the user and will then do the rest.
Thanks.
padillaa - 12-06-10 17:07
Yes. All of those terms are already set as Strip Term From Ad filters.
4
App.000198

Thanks.
DesentNet - 12-06-10 17:34
Thanks!
Clensing has begun. We'll let you know when it's wrapped.
DesertNet - 12-07-10 21:36
The cleaning is complete.
HyerD - 12-29-10 13:22
We need to strip out the following URLs from all old and new ads (this includes expired ads):
Redacted for privacy
ferrerc - 12-29-10 13:17
This task is urgent since CNN is runing a report soon.
DesertNet - 12-29-10 13:52
Can you confirm that the new terms are in the filters as Strip Term From Ad?
If not, can you add them?
Thanks!
HyerD - 12-29-10 14:01
Yes, they are each in the filters as Strip Term From Ad.
DesertNet - 12-29-10 17:00
This patch has been running for a few hours and is expected to finish up tonight.
DesentNet - 12-29-10 18:03
5

### This patch has completed.

Issue History			
Date Modified	Username	Field	Change
		. 1610	
12-02-10 16:42	ferrerc	New Issue	
12-02-10 16:42	ferrerc	Task Type	=> support
12-02-10 16:42	ferrerc	Task Activity	=> Open
12-02-10 16:42	ferrerc	Task Scope	=> Small
12-02-10 16:49	ferrerc	Assigned To	=> DesertNet
12-02-10 16:49	ferrerc	Status	new => assigned
12-03-10 10:47	ferrerc	Note Added: 0039420	new assigned
12-03-10 10:56	DesertNet	Note Added: 0039421	
12-03-10 10:56	DesertNet	Assigned To	DesertNet => ferrerc
12-03-10 10:56	DesertNet	Status	assigned => feedback
12-03-10 11:15	ferrerc	Note Added: 0039423	obbagned to reconden
12-03-10 12:08	padillaa	File Added: stripped ter	ms in adult 120110 vls
12 05 10 12100	pottarrow	Tate redient Serapped cer	ms in dadic acordorate
12-03-10 12:09	padillaa	Note Added: 0039430	
12-03-10 12:10	padillaa	Assigned To	ferrerc => DesertNet
12-06-10 14:56	DesertNet	Status	feedback => wip
12-06-10 17:00	DesertNet	Note Added: 0039486	recoden -/ wap
12-06-10 17:01	DesertNet	Assigned To	DesertNet => ferrerc
12-06-10 17:01	DesertNet	Status	wip => feedback
12-06-10 17:07	padillaa	Note Added: 0039487	
12-06-10 17:33	DesertNet	Note Added: 0039490	
12-06-10 17:34	DesertNet	Note Edited: 0039490	
12-06-10 17:34	DesertNet	Assigned To	ferrerc => DesertNet
12-06-10 17:34	DesertNet	Status	feedback => wip
12-07-10 21:36	DesertNet	Note Added: 0039532	recapacit v nap
12-07-10 21:36	DesertNet	Assigned To	DesertNet => ferrerc
12-07-10 21:36	DesertNet	Status	wip => resolved
12-08-10 10:05	ferrerc	Status	resolved => closed
12-08-10 10:05	ferrerc	Resolution	open => fixed
12-29-10 13:15	HverD .	Status	closed => feedback
12-29-10 13:15	HyerD	Resolution	fixed => reopened
12-29-10 13:15	HyerD	Note Added: 0040070	
12-29-10 13:16	ferrerc	Assigned To	ferrerc => DesertNet
12-29-10 13:16	ferrerc	Priority	normal => urgent
12-29-10 13:16	ferrerc	Status	feedback => assigned
12-29-10 13:17	ferrerc	Note Added: 0040071	
12-29-10 13:22	HyerD	Note Edited: 0040070	
12-29-10 13:48	HverD	Issue Monitored: HyerD	
12-29-10 13:52	DésertNet	Note Added: 0040072	
12-29-10 13:52	DesertNet	Assigned To	DesertNet => ferrerc
12-29-10 13:52	DesertNet	Status	assigned => feedback
12-29-10 14:01	HyerD	Note Added: 0040073	Ť
12-29-10 14:24	ferrerc	Status	feedback => assigned
12-29-10 14:24	ferrerc	Assigned To	ferrerc => OesertNet
12-29-10 17:00	DesertNet	Note Added: 0040077	
12-29-10 17:00	DesertNet	Status	assigned => wip
12-29-10 18:03	DesertNet	Note Added: 0040085	,
12-29-10 18:04	DesertNet	Assigned To	DesertNet => ferrerc
12-29-10 18:04	DesertNet	Status	wip => resolved

From: Sent: To: Cc:	Carl Ferrer Saturday, January 15, 2011 12:28 AM Carl Ferrer Micah
Subject:	Re: Notes from El Camino meeting
another task to schedule	
c. Add a "failed"	link in the admin data box for all rights and to the moderation admin data box.
	ailed queue me. If the ad is live it stays live. only appear in adult and personals postings.
Our admin people will r	e-fail ads that moderators screw up moderating.
carl	
On Jan 14, 2011, at 4:51	PM, Carl Ferrer wrote;
Please schedule:	
·	AICAH SCHEDULE: 4. In Sales rights (India), show the toderation log in the admin data box when browsing the site in dmin view.
We already show this in	fo in the moderation ad view.
but in ad- - Werprei	aff will use this info for QC. They will browse the site like a normal user min catching mistakes. fer not to display the moderation log in admin rights since we pdf this subpoena!
	would rather not testify in court as to why my staff "approved" a ostings.
Thanks	
On Jan 14, 2011, at 4:38	B PM, Micah wrote;
Not very.	
- Micah	
	ī
	App.000201

214.7	38.1665	
Sent	from my iPhone. Please pardon any typos.	
On Ja	ın 14, 2011, at 4:34 PM, Carl Ferrer	wrote:
	How busy are you?	
	carl	
	Begin forwarded message:	
	From: Carl Ferrer	
	Date: January 13, 2011 6:54:59 PM CST	_
	To: Carl Ferrer	. Andrew Padilla

Subject: Notes from El Camino meeting

Andrew, Did I miss anything?

carl

1. A month from now, US staff will back off from the queues and have India do more.

DONE 2. scheduled

- 3. Supervisors need to be able to browse the entire site in admin.
- a. Verify all Personally Identifiable Information (PII) is removed.
- b. Determine if we should allow the delete link to be on sales rights admin box. c. Add a "failed" link in the admin data box for all rights.
- It sends the ad to the failed queue - The status stays the same
- The failed link should only appear in adult and personals postings.
- d. Confirm India has admin access.

  Sales rights and/or approved IP may need to be added.

MICAH SCHEDULE: 4. In Sales rights (India), show the moderation log in the admin data box when browsing the site in admin view.

We already show this info in the moderation ad view.

- India staff will use this info for QC. They will browse the site like a normal user but in admin catching mistakes.
- We prefer not to display the moderation log in admin rights since we pdf this page for subpoena's. I would rather not testify in court as to why my staff "approved" a postings.

DONE: 5. In moderation queue under sales rights remove PII - email address

- name
- phone number
- card ref

This info should not be displayed in Sales rights in the queue. Confirm it is not displayed when browsing a site in "sales" rights. Confirm information above is not displayed in powered by rights.

6. Check out popular Indian classified site (maukri.com). English is main language. Very few credits cards there. Mobile payments are more popular.

- 7. Modify Moderation Guidelines so moderators no Phone sex by the minute is

8. Image standard changes We need to update Moderation Guidelines and Posting rules - No butt crack

- No covering bare breasts with hands or arms.

- No covering pare oreasts with mands of artis.
  No exposed genitalia areas whatsoever.
  No nipple or nipple area.
  No transparent clothing exposing genitalia
  No modification of an image using a graphic box or pixelation to hide bare. breast or genitalia.

- 9. Clarify personals content policy
   no sext act dicussion
   discuss sexual poses. Get examples.

10.???????????

From: Sent: To: Subject:	Andrew Padilla Thursday, January 20, 2011 8:23 PM Carl Ferrer; Dan Hyer Re: Add to strip out	on behalf of Andrew Padilla
i added the first two	and left booty alone.	
at some point we ne	ed phrases like these to trigger an alert so we can rev	iew the entire ad.
Andrew Padilla Operations Manager Hackpage.com / Village Voic	e Media	
	t 1:07 PM, Carl Ferrer	vrote:
daddy fittle girl		
Maybe "booty"		
But maybe we sh	ould leave booty.	
nap://www.cnn.cc	m/2011/CRIME/01/20/siu selling girl next door backp	3 <u>0</u> 0.
	· · · · · · · · · · · · · · · · · · ·	
	en e	

From: Sent:	Justin On behalf of Justin Monday, January 31, 2011 5:25 PM
To:	Carl Ferrer
Cc:	DE: Contact Correction Descent
Subject:	RE: Content Screening Porposal
Hi Carl,	
When would you like t	o further discuss?
Talk to you soon, Justin	
From: Carl Ferrer [ma Sent: Monday, Januar To: Justin Cc: Subject: Re: Content	y 24, 2011 2:11 PM
Hey Justin,	er en
Does your proposal o	cover "DELETE BAD TEXT" step?
For example for ever	ry 1000 ads posted, the actions are three types:
DELETE ENTIRE postings. (takes one click)	POST: About 5 posting are removed for "sex for money", aka, illegal ads out of a 1000
- DELETE BAD IM (takes two clicks)	AGE AND APPROVE POST- about 200 images are removed out of a 1000 postings.
a 1000 postings.	XT- about 200 ads will have a portion of the text removed for violating posting rules out of akes the most clicks, up to 4 or 5 clicks and a lot of close reading. It's probably the biggest
Thanks	
carl	
On Jan 24, 2011, at 9	9:53 AM, Justin Olds wrote:
Hi Carl,	
	roposal. phone, the pricing I have quoted is for our domestic room. The pricing should be pretty close, if ou are paying for your room in India and your couple of domestic content moderators.
	1

Please let me know when you would like to discuss.
Regards, Justin
Justin President Telecommunications On Demand, Inc. ("TOD") Mobile: PA Office: FL Office: Fax: <image001.png></image001.png>
<content screening.docx=""></content>

From: on behalf of Andrew Padilla

Andrew Padiila Friday, February 04, 2011 11:12 PM Carl Ferrer moderation terms Sent: To: Subject:

i might stop stripping out "pound" and "pounds", it was added because of phrases like "come pound this", but it's mostly stripping out the measure of weight causing the weight to look like a random price.

second, what do you think about having our age field max out at 60 to prevent users from using 69 and other unbelievable numbers?

From:

```
support@villagevoicemedia.com
Monday, February 07, 2011 6:39 PM
Sent:
To:
Subject:
                         [Backpage.com 0012985]: Deep cleaning strip out
The following issue has been RESOLVED.
http://tasks.vvmedia.com/view.php?id=12985
Reported By: ferrerc
Assigned To: ferrerc
Project:
Issue ID:
                               Backpage.com
12985
                                backpage.com
always
minor
urgent
Category:
Reproducibility:
Severity:
Priority:
Status:
Task Type:
Task Activity:
Task Scope:
                                resolved
support
                                Open
                                Small
Source:
Source:
Exp. Start Date:
Exp. Comp. Date:
Fiscal Quarter:
Resolution:
                                reopened
Fixed in Version:
Date Submitted:
Last Modified:
                               12-02-2010 16:42 MST
02-07-2011 11:38 MST
Summary:
                              Deep cleaning strip out
Description:
Remove the terms below from every old ad in the database.
Restrict removal of terms to these categories: FemaleEscorts, MaleEscorts, Bodyrubs, Domination, TranssexualEscorts.
- Deep clean stripped out terms:
- Deep cle
1/2 hour
1/2 hr
15 min
15 minute
15/mins
15min
15minute
30 min
30/mins
30min
3B-& 10
@N@L
```

```
anal
B.a.C.k.Y.a.R.d.
b.b.b.j
b.b.b.j
back door
backdoor
bang
bare back
bbbj
BBBJA
bbj
bbjs
blow
blow n go
blow n go
blow n go
blowing
blowjob
blows
bng
bukkake
c.u.m.
car date
cardate
cbj
CIM
Cock
cum
CUMe
cumm.
CUMe
cumm
cunt
d.a.t.y.
da.ty.
di.ty.
di.
```

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GFE
girl friend experience
gr-eek
gr88k
gre3k
greace
greek
gr8k
grels
half
half and half
half and half
half hour
Half/hr
happy ending
head
hh
hhr
hole
holes
horny
kum
lingam
lolli
manual end
milking
Missionary
MSOG
multi pops
multipops
Oral
ORAL EXAM
ORAL EXPERT
Oral Fixation
orally
orgasm
P-ON PLAY
P.S.E
pegging
porn star experience
PSE
pu$$1
pu$$2
pu$$2
pu$$2
pu$$2
quickee
quickie
quickee
quickie
quicky
quikee
qv
rape
rimming
Suck
teenage
```

3

tight
wet
wett
wetter
young
***************************************
ferrerc - 12-03-10 10:47
The readsn why this is important is "links to other ads by this user" will often have bad content. So, Scott Spear wants me to kill links " to other ads by this user" but our users love it.
So, best to do the deep cleaning and not kill a valuable feature.
DesertNet - 12-03-10 10:56
Thombs Work to some legion that Continue would be a big long to warm
Thanks. Yeah, we agree. Losign that feature would be a big loss to users.
We'll work on this solution.
Important question: do you think this is a one time event or do you think you'll have additional terms you'll want to deep cleanse in the future?
ferrerc - 12-03-10 11:15
One time request. I'll ask Andrew to add any other strip out terms.
and the requestr 2 12 day Andrew to dud any other series out terms.
padillaa - 12-03-10 12:09
I've attached an updated list of terms set for strip out.
1 ve accuerca an aparaced 113c of ectims 35c for 3ct 1p out.
DesertNet - 12-06-10 17:00
We have a script ready to go.
we have a script ready to go.
Can you confirm that each of these terms are in the FilterTerm class? If not, can you add them?
Our approach is going to be a full scrub of every filter term that should be removed over every ad in these specific categories. We'll start with the ones that are flagged to show more ads by the user and will then do the rest.
Thanks.
***************************************
padillaa - 12-06-10 17:07
Van 111 of the control of the contro
Yes. All of those terms are already set as Strip Term From Ad filters.
4

Thanks.
DesertNet - 12-06-10 17:34
Thanks!
Clensing has begun. We'll let you know when it's wrapped.
DesertNet - 12-07-10 21:36
The cleaning is complete.
HyerD - 12-29-10 13:22
We need to strip out the following URLs from all old and new ads (this includes expired ads):
theeroticreview.com theotherboard.com eccie.net bestgfe.com tnaboard.com escorts.com
ferrerc - 12-29-10 13:17
This task is urgent since CNN is runing a report soon.
DesertNet - 12-29-10 13:52
Can you confirm that the new terms are in the filters as Strip Term From Ad?
If not, can you add them?
Thanks!
HyerD - 12-29-10 14:01
Yes, they are each in the filters as Strip Term From Ad.
DesertNet - 12-29-10 17:00
This patch has been running for a few hours and is expected to finish up tonight.
DesertNet - 12-29-10 18:03

```
This patch has completed.
ferrerc - 02-04-11 17:11
We'll we have been trading nasty letters with CNN and they have fired back a good suggestion. Adult marketers have been using the word high school, school girl, etc. Andrew has added these terms to strip out. But we should dig deeper.
Can you go thru all adult and personal ads and remove the following:
IF adult or personals section
IF whole word is..
innocent
tight
fresh
IF partial word schoolgirl
school girl
highschool
high school
cheerleader
THEN, remove term.
Once again, only in adult and personals.
 .....
 DesertNet - 02-04-11 18:04
Sounds good. This process is running.
.
DesertNet - 02-07-11 11:38
This process completed over the weekend. We've kicked off a second run as well.
Thanks.
Issue History
Date Modified Username
                                Field
                                                           Change
12-02-10 16:42 ferrerc
12-02-10 16:42 ferrerc
12-02-10 16:42 ferrerc
12-02-10 16:42 ferrerc
                                 New Issue
                                Task Type
Task Activity
Task Scope
Assigned To
Status
                                                            => support
                                                            => Open
=> Small
12-02-10 16:49 ferrerc
12-02-10 16:49 ferrerc
                                                           => DesertNet
new => assigned
                                 Note Added: 0039420
Note Added: 0039421
12-03-10 10:47 ferrerc
12-03-10 10:56 DesertNet
                                                         DesertNet => ferrerc
assigned => feedback
12-03-10 10:56 DesertNet
12-03-10 10:56 DesertNet
                                 Assigned To
Status
12-03-10 11:15 ferrerc
12-03-10 12:08 padillaa
                                 Note Added: 0039423
```

File Added: stripped terms in adult 120110.xls

12-03-10 12:09	padillaa	Note Added: 0039430	
12-03-10 12:10	padillaa	Assigned To	ferrerc => DesertNet
12-06-10 14:56	DesertNet	Status	feedback => wip
12-06-10 17:00	DesertNet	Note Added: 0039486	
12-06-10 17:01	DesertNet	Assigned To	DesertNet => ferrerc
12-06-10 17:01	DesertNet	Status	wip => feedback
12-06-10 17:07	padillaa	Note Added: 0039487	
12-06-10 17:33	DesertNet	Note Added: 0039490	
12-06-10 17:34	DesertNet	Note Edited: 0039490	
12-06-10 17:34	DesertNet	Assigned To	ferrerc => DesertNet
12-06-10 17:34	DesertNet	Status	feedback => wip
12-07-10 21:36	DesertNet	Note Added: 0039532	
12-07-10 21:36	DesertNet	Assigned To	DesertNet => ferrerc
12-07-10 21:36	DesertNet	Status	wip => resolved
12-08-10 10:05	ferrerc	Status	resolved => closed
12-08-10 10:05	ferrerc	Resolution	open => fixed
12-29-10 13:15	HyerD	Status	closed => feedback
12-29-10 13:15	HyerD	Resolution	fixed => reopened
12-29-10 13:15	HyerD	Note Added: 0040070	
12-29-10 13:16	ferrerc	Assigned To	ferrerc => DesertNet
12-29-10 13:16	ferrerc	Priority	normal => urgent
12-29-10 13:16	ferrerc	Status	feedback => assigned
12-29-10 13:17	ferrerc	Note Added: 0040071	
12-29-10 13:22	HyerD	Note Edited: 0040070	
12-29-10 13:48	HyerD	Issue Monitored: HyerD	
12-29-10 13:52	DesertNet	Note Added: 0040072	
12-29-10 13:52	DesertNet	Assigned To	DesertNet => ferrerc
12-29-10 13:52	DesertNet	5tatus	assigned => feedback
12-29-10 14:01	HyerD	Note Added: 0040073	
12-29-10 14:24	ferrerc	Status	feedback => assigned
12-29-10 14:24	ferrerc	Assigned To	ferrerc => DesertNet
12-29-10 17:00	DesertNet	Note Added: 0040077	
12-29-10 17:00	DesertNet	Status	assigned => wip
12-29-10 18:03	DesertNet	Note Added: 0040085	
12-29-10 18:04	DesertNet	Assigned To	DesertNet => ferrerc
12-29-10 18:04	DesertNet	Status	wip => resolved
12-30-10 00:35	ferrerc	Status	resolved => closed
12-30-10 00:35	ferrerc	Resolution	reopened => fixed
02-04-11 17:11	ferrerc	Status	closed => feedback
02-04-11 17:11	ferrerc	Resolution	fixed => reopened
02-04-11 17:11	ferrerc	Note Added: 0040925	
02-04-11 18:04	DesertNet	Note Added: 0040928	
02-04-11 18:04	DesertNet	Assigned To	ferrerc => DesertNet
02-04-11 18:04	DesertNet	Status	feedback => wip
02-07-11 11:38	DesertNet	Note Added: 0040955	
02-07-11 11:38	DesertNet	Assigned To	DesertNet => ferrerc
02-07-11 11:38	DesertNet	Status	wip => resolved
***********			*****

```
From:
Sent:
To:
Subject:
                           Monday, February 07, 2011 6:39 PM
                          [Backpage.com 0012985]: Deep cleaning strip out
The following issue has been RESOLVED.
http://tasks.vvmedia.com/view.php?id=12985
Reported By: ferrerc
Assigned To: ferrerc
Project:
Issue ID:
                                 Backpage.com
12985
                                  backpage.com
always
Category:
Reproducibility:
Severity:
Priority:
                                  minor
urgent
Status:
Task Type:
Task Activity:
Task Scope:
                               resolved
support
                                  Open
Small
Exp. Start Date:
Exp. Comp. Date:
Fiscal Quarter:
Resolution:
                                  reopened
Fixed in Version:
Date Submitted:
Last Modified:
                                  12-02-2010 16:42 MST
02-07-2011 11:38 MST
Summary: Deep cleaning strip out
Description:
Remove the terms below from every old ad in the database.
Restrict removal of terms to these categories: FemaleEscorts, MaleEscorts, Bodyrubs, Domination, TranssexualEscorts.
- Deep clean stripped out terms:
1/2 hour
1/2 hr
1/2 hr
15 min
15 minute
15/mins
15min
15minute
30 min
30/mins
30min
3B-& 1J
ଉଧ୍ୟ@୮
```

```
anal
B.a.C.k.Y.a.R.d.
b.b.b.j.
back door
backdoor
backdoor
bang
bare back
bboj
BBBJA
bbj
bbjs
blow
blo n go
blow
blow job
blow nop
blowing
blowjob
blowpop
blowing
blowjob
blowsong
car date
cardate
cbj
CIM
Cock
cum
cum.
CUMe
cumm
cunt
d.a.t.y.
da.ty
daty
deep throat
deepthroat
Doggie Style
double penetration
F/S
foreign languages
FS
Fuck
ful service
full service
full service
full service
full service
full service
full service
full-service
```

```
GFE
girl friend experience
girlfriend experience
girlfriend experience
greek
gr88k
gre3k
greece
greek
grk
heles
half
half and half
half hour
Half/hr
happy ending
head
hh
hhr
hole
holes
horny
kum
lingam
lolli
manual end
milking
Missionary
MSOG
multi pops
multipops
Oral
ORAL EXAM
ORAL EXPERT
Oral Fixation
orally
orgasm
P-ON PLAY
P.S.E
pegging
porn star experience
PSE
pu$$i
pu$$i
pussy
qu
quickee
quickie
quicky
quikee
qv
rape
rimming
Suck
teenage
```

tight wet
wett wetter
young
ferrerc - 12-03-10 10:47
The reacsn why this is important is "links to other ads by this user" will often have bad content. So, Scott Spear wants me to kill links " to other ads by this user" but our users love it.
So, best to do the deep cleaning and not kill a valuable feature.
DesertNet - 12-03-10 10:56
Thanks. Yeah, we agree. Losign that feature would be a big loss to users.
We'll work on this solution.
Important question: do you think this is a one time event or do you think you'll have additional terms you'll want to deep cleanse in the future?
ferrenc - 12-03-10 11:15
One time request. I'll ask Andrew to add any other strip out terms.
padillaa - 12-03-10 12:09
I've attached an updated list of terms set for strip out.
DesertNet - 12-06-10 17:00
We have a script ready to go.
Can you confirm that each of these terms are in the FilterTerm class? If not, can you add them?
Our approach is going to be a full scrub of every filter term that should be removed over every ad in these specific categories. We'll start with the ones that are flagged to show more ads by the user and will then do the rest.
Thanks.
padillaa - 12-06-10 17:07
Yes. All of those terms are already set as Strip Term From Ad filters.
4

Thanks.
DesertNet - 12-06-10 17:34
Thanks!
Clensing has begun. We'll let you know when it's wrapped.
DesertNet - 12-07-10 21:36
The cleaning is complete.
HyerD - 12-29-10 13:22
We need to strip out the following URLs from all old and new ads (this includes expired ads):
theeroticreview.com theotherboard.com eccie.net bestgfe.com tnaboard.com escorts.com
ferrerc - 12-29-10 13:17
This task is urgent since CNN is runing a report soon.
DesertNet - 12-29-10 13:52
Can you confirm that the new terms are in the filters as Strip Term From Ad?
If not, can you add them?
Thanks!
HyerD - 12-29-10 14:01
Yes, they are each in the filters as Strip Term From Ad.
DesertNet - 12-29-10 17:00
This patch has been running for a few hours and is expected to finish up tonight.
DesertNet - 12-29-10 18:03

```
This patch has completed.
 ferrerc - 02-04-11 17:11
We'll we have been trading nasty letters with CNN and they have fired back a good suggestion. Adult marketers have been using the word high school, school girl, etc. Andrew has added
these terms to strip out. But we should dig deeper.
Can you go thru all adult and personal ads and remove the following:
IF adult or personals section IF whole word is..
innocent
tight
fresh
IF partial word
schoolgirl
school girl
highschool
high school
cheerleader
THEN, remove term.
Once again, only in adult and personals.
 ~~~~~
DesertNet - 02-04-11 18:04
Sounds good. This process is running.
DesertNet - 02-07-11 11:38
This process completed over the weekend. We've kicked off a second run as well.
Thanks.
Issue History
Date Modified Username
 Field
 Change
12-02-10 16:42 ferrerc
12-02-10 16:42 ferrerc
12-02-10 16:42 ferrerc
12-02-10 16:42 ferrerc
 New Issue
 New Issue
Task Type
Task Activity
Task Scope
Assigned To
Status
Note Added: 0039420
Note Added: 0039421
 => support
 a> Open
a> Small
12-02-10 16:49 ferrerc
12-02-10 16:49 ferrerc
 => DesertNet
 new ≈> assigned
12-03-10 10:47 ferrerc
12-03-10 10:56 DesertNet
12-03-10 10:56 DesertNet-
12-03-10 10:56 DesertNet
 Assigned To
Status
 DesertNet => ferrerc
assigned => feedback
12-03-10 11:15 ferrerc
12-03-10 12:08 padillaa
 Note Added: 0039423
```

File Added: stripped terms in adult 120110.xls

12-03-10 12:09	padillaa	Note Added: 0039430	
12-03-10 12:10	padillaa	Assigned To	ferrerc => DesertNet
12-06-10 14:56	DesertNet	Status	feedback => wip
12-06-10 17:00	DesertNet	Note Added: 0039486	•
12-06-10 17:01	DesertNet	Assigned To	DesertNet => ferrerc
12-06-10 17:01	DesertNet	Status	wip => feedback
12-06-10 17:07	padillaa	Note Added: 0039487	
12-06-10 17:33	DesertNet	Note Added: 0039490	
12-06-10 17:34	DesertNet	Note Edited: 0039490	
12-06-10 17:34	DesertNet	Assigned To	ferrerc => DesertNet
12-06-10 17:34	DesertNet	Status	feedback => wip
12-07-10 21:36	DesertNet	Note Added: 0039532	,
12-07-10 21:36	DesertNet	Assigned To	DesertNet => ferrerc
12-07-10 21:36	DesertNet	Status	wip => resolved
12-08-10 10:05	ferrerc	Status	resolved => closed
12-08-10 10:05	ferrerc	Resolution	open => fixed
12-29-10 13:15	HyerD .	Status	closed => feedback
12-29-10 13:15	HyerD	Resolution	fixed => reopened
12-29-10 13:15	HyerD	Note Added: 0040070	,
12-29-10 13:16	ferrerc	Assigned To	ferrerc => DesertNet
12-29-10 13:16	ferrerc	Priority	normal => urgent
12-29-10 13:16	ferrerc	Status	feedback => assigned
12-29-10 13:17	ferrerc	Note Added: 0040071	· ·
12-29-10 13:22	HyerD	Note Edited: 0040070	
12-29-10 13:48	HyerD	Issue Monitored: HyerD	
12-29-10 13:52	DesertNet	Note Added: 0040072	
12-29-10 13:52	DesertNet	Assigned To	DesertNet => ferrerc
12-29-10 13:52	DesertNet	Status	assigned => feedback
12-29-10 14:01	HyerD	Note Added: 0040073	-
12-29-10 14:24	ferrerc	Status	feedback => assigned
12-29-10 14:24	ferrerc	Assigned To	ferrerc => DesertNet
12-29-10 17:00	DesertNet	Note Added: 0040077	
12-29-10 17:00	DesertNet	Status	assigned ≈> wip
12-29-10 18:03	DesertNet	Note Added: 0040085	
12-29-10 18:04	DesertNet	Assigned To	DesertNet => ferrerc
12-29-10 18:04	DesertNet	Status	wip ≃> resolved
12-30-10 00;35	ferrerc	Status	resolved => closed
12-30-10 00:35	ferrerc	Resolution	reopened ⇒> fixed
02-04-11 17:11	ferrerc	Status	closed => feedback
02-94-11 17:11	ferrerc	Resolution	fixed => reopened
02-04-11 17:11		Note Added: 0040925	
02-04-11 18:04	DesertNet	Note Added: 0040928	
02-04-11 18:04	DesertNet	Assigned To	ferrerc => DesertNet
02-04-11 18:04		Status	feedback => wip
02-07-11 11:38		Note Added: 0040955	
02-07-11 11:38		Assigned To	DesertNet => ferrerc
02-07-11 11:38		Status	wip => resolved
*******			

Category:	Severity:	Reproducibility:	Date Submitted:	Last Update:
[Backpage.com] backpage.com	minor	always	2011-02-04 13:02	2011-02-08 00:38
ferrerc	Platform:	The second secon	NO THE RESERVE OF THE PROPERTY	;
ferrerc	OS:			
low	OS Version:			
closed	Product Version:			
	Resolution:	fixed		
none				
none	Fixed in Version:			
	Target Version:			
support				
Open				
Small				

Print Imports: Toronto says they are not getting print imports.

They are importing. The problem is the strip out log embedded in the print import email is making the email so long that it is going into the spam fc not getting thru the ESP because of the file size.

Probably best not include "Term to be Stripped from Ad" in the errors.

ice:

nation:

ls

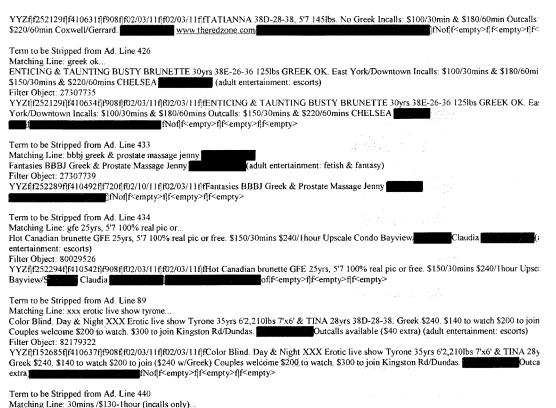
Example of email:

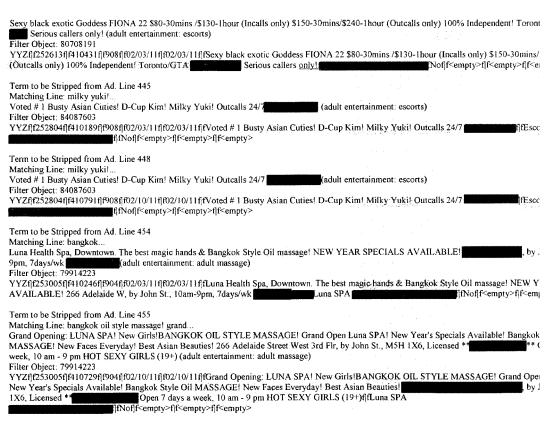
Example of email:
PubID: yyz
Import file(s): yyz.txt
Import file date: '2011-02-04 10:30:01'
Type: Automated import
Lines: 1,694
New Ads: 0

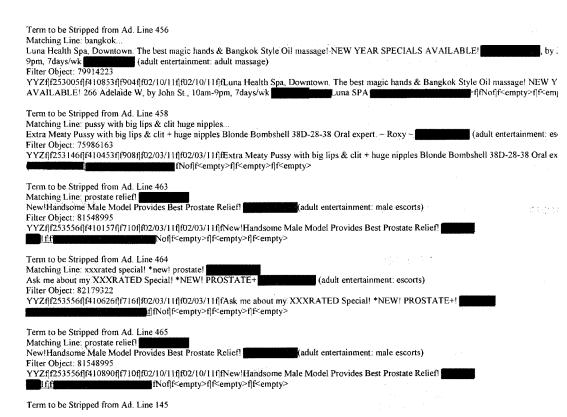
Updated Ads: 337

```
Ignored Ads (unchanged updates): 1,348
- Hide quoted text -
Banned Ads: 5
Ad that will have Terms Stripped: 131
Errors (couldn't import): 140
Detected Regions: 12
Detected Bedrooms: 23
Detected Selling Price: 45
Detected Users: 415
Detected Pets Accepted Status; 0
Detected Roommates Gender Preference: 0
Detected Fee Status and Ad Placed By: 0
Print Emails Sent: 0 (yyz.nowtoronto.com)
Errors
Term to be Stripped from Ad. Line 33
Matching Line: STRAP-ON, TOYS, ROLEPLAYING, X-DRESSING, B/D FRIEN... (adult entertainment: escorts)
Filter Object: 27312539
YYZfi053290ff409165ft730ff02/10/11fff02/10/11fffH VOLUPTUOUS 7 TIRED OF PAYING FOR AN HOUR & GETTING ONLY MINUTE:
FULL FIGURE, drk hr 35yrs, 5'9", 180lbs, 44DD-34-42. DOMINATION, STRAP-ON, TOYS, ROLEPLAYING, X-DRESSING, B/D FRIENDL'
 24hours 7
 fNof[f<empty>f]f<empty>f]f<empty>f
Term to be Stripped from Ad. Line 83
Matching Line: oral supreme tess is the best, deep throat swallows...
#1 Oral Supreme Tess Is The Best. Deep Throat Swallows Facials Loves To Suck Cock Downtown Incal |
 (adult entertainment: esco
Filter Object: 27312549
YYZfff142787ff410306ff716fff02/03/11fff02/03/11fff#1 Oral Supreme Tess Is The Best. Deep Throat Swallows Facials Loves To Suck Cock Dov
 <empty>f]f<empty>f]f<empty>f]f<empty>f]f<empty>f]f<empty>
Term to be Stripped from Ad. Line 417
Matching Line: 30mins 430 dundas st w
 relaxing
GOLDEN MASSAGE CENTRE, $30/30mins
 Relaxing Massage. Beautiful Asian Ladies (adult entertainment: as
Filter Object: 80708191
YYZfft251851fft408847ff714fft02/10/11fft01/20/11fftGOLDEN MASSAGE CENTRE. $30/30mins 430 Dundas st W.
Asian Ladiesf|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f
Term to be Stripped from Ad. Line 418
```

```
Matching Line: 30 min special! dream massage! by russian beauties! @...
$25/30 Min Special! DREAM Massage! BY RUSSIAN BEAUTIES! @ MIRACLE SPA! 2962 ISLINGTON
adult massage)
Filter Object: 80708237
YYZfft252010fft410624ff714ff02/03/11ff02/03/11fff02/5 30 Min Special! DREAM Massage! BY RUSSIAN BEAUTIES! @ MIRACLE SPA! 2
 fNofif<empty>f|f<empty>f|f<empty>f
ISLINGTON
 Parking @
Term to be Stripped from Ad. Line 419
Matching Line: 30 minutes
Beautiful Geisha Girls! (19+)
 http://www.bbegirls.com/ [^] $100/30 Minutes (adult entertainment: escorts)
Filter Object: 81284415
 www.bbegirls.com $100/30
YYZflf252056f]f410141f]f908f]f02/03/11f]f02/03/11f]fBeautiful Geisha Girls! (19+)
 fNof|f<empty>f|f<empty>f|f<empty>
Minutesflf
Term to be Stripped from Ad. Line 420
Matching Line: 30 minutes finch/birchmount scarborough
 http://www.bbegirls.com/ [^] $100/30 Minutes Finch/Birchmount Scarborough (adult entertainment: e
Beautiful Geisha Girls! (19+)
Filter Object: 81284415
YYZfff252056fff410257fff908fff02/03/11fff02/03/11fffBeautiful Geisha Girls! (19+)
 www.bbegirls.com $100/30 Minutes Finch/Birc
Scarborought]
 fNoflf<empty>flf<empty>flf<empty>
Term to be Stripped from Ad. Line 423
Matching Line: 30 minutes finch/birchmount scarborough
 http://www.bbegirls.com/ [^] $100/30 Minutes Finch/Birchmount Scarborough (adult entertainment: e
Beautiful Geisha Girls! (19+)
Filter Object: 81284415
YYZfif252056fif410862fif908fif02/10/11fif02/10/11fifBeautiful Geisha Girls! (19+)
 www.bbegirls.com $100/30 Minutes Finch/Birc
 fNoffsempty>ffsempty>ffsempty>
Scarboroughf
Term to be Stripped from Ad. Line 424
Matching Line: 30 minutes
 http://www.bbegirls.com/ [^] $100/30 Minutes (adult entertainment: escorts)
Beautiful Geisha Girls! (19+)
Filter Object: 81284415
 www.bbegirls.com $100/30
YYZflf252056flf410930flf908flf02/10/11flf02/10/11flfBeautiful Geisha Girls! (19+)
Minutes
 fNof[f<empty>f]f<empty>f]f<empty>
Banned Ad. Line 425
Matching Line: theredzone.com/to/tatianna" target="_blank">www.th... (adult entertainment: escorts)
Filter Object: 60821414
```

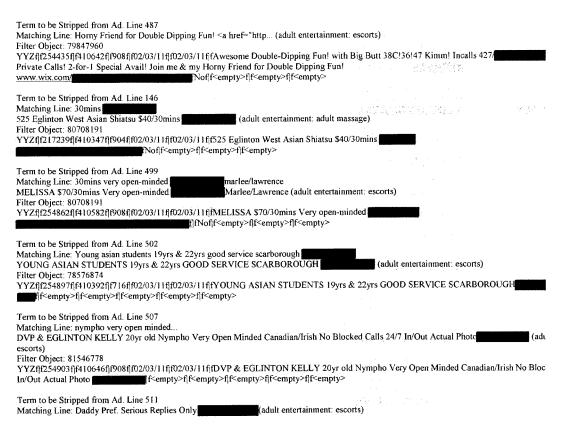




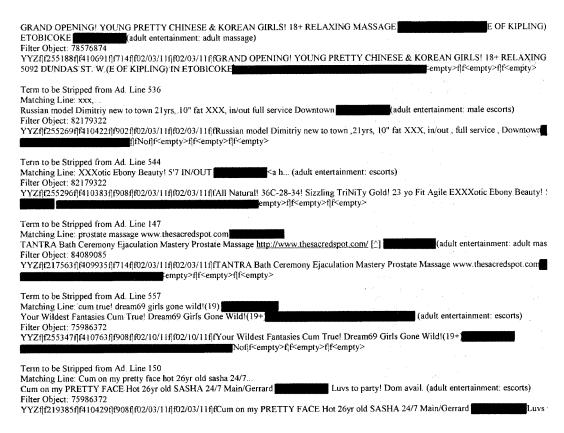


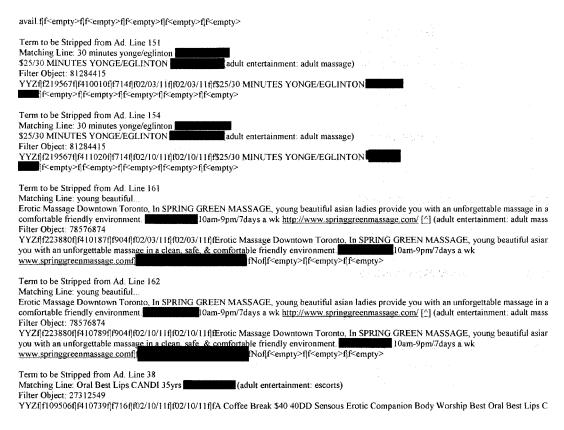


```
Term to be Stripped from Ad. Line 473
Matching Line: Young slim beautiful cutest guy in t.o. is 21, white*5'11"*135,...
YOUNG SLIM BEAUTIFUL Cutest Guy in T.O. is 21, White*5'11"*135, 8 CUT & HARD Great Smile Age Not An Issue. All Types Discretion, F
Outcalls Only*Call Roger (adult entertainment: male escorts)
 NEW YORK STREET
Filter Object: 78576874
YYZff254021ff410895ff710ff02/10/11fff02/10/11ffYOUNG SLIM BEAUTIFUL Cutest Guy in T.O. is 21, White*5'11"*135, 8 CUT & HARD
Not An Issue. All Types Discretion, Respect, Maturity Outcalls Only*Call Roger
 fNoffempty>ffempty>ffempty>ffempty>
Term to be Stripped from Ad. Line 474
Matching Line: Young slim beautiful cutest guy in t.o. is 21, white*5'11"*135,...
Young Slim Beautiful Cutest Guy in T.O. is 21, White*5'11"*135, 8 CUT & HARD Great Smile Age Not An Issue. All Types Discretion, Respect,
Outcalls Only*Call Roger
 adult entertainment: male escorts)
Filter Object: 78576874
YYZfff254021ff410980fff902ff02/10/11fff02/10/11fjfYoung Slim Beautiful Cutest Guy in T.O. is 21, White*5'11"*135, 8 CUT & HARD Great S
 fNofif<empty>f]f<empty
Issue. All Types Discretion, Respect, Maturity Outcalls Only*Call Roger
Term to be Stripped from Ad. Line 477
Matching Line: 30mins, hot beautiful curvy & busty, friendly, no...
FARAH 26yrs $60/30mins. Hot beautiful curvy & busty. Friendly. No rush, private & discree
 Jane/Eglinton (adult entertainment: e
Filter Object: 80708191
YYZfff254199ff410455ff908ff02/03/11fff02/03/11fjfFARAH 26yrs $60/30mins. Hot beautiful curvy & busty. Friendly. No rush, private & discre
 f[fNot]f<empty>f]f<empty>f]f<empty>
Term to be Stripped from Ad. Line 480
Matching Line: prostatemassage! 2778
New Pretty Asians Prostate Massage! 2778
 (adult entertainment: adult massage)
Filter Object: 81548995
YYZfff254268fff410688fff714fff02/03/11fff02/03/11fffNew!Pretty Asians!ProstateMassage!
 Nofif<empty>fif<empty>fif<empty>
Term to be Stripped from Ad. Line 481
Matching Line: eurodollsescorts.com (adult entertainment: escorts)
Filter Object: 85755931
YYZfff254330fff410536fff908fff02/03/11fff02/03/11fffToronto's Premier European Ladies
 www.eurodollsescorts.com Always Hiring
19+flf Noflf<empty>flf<empty>flf<empty>
```

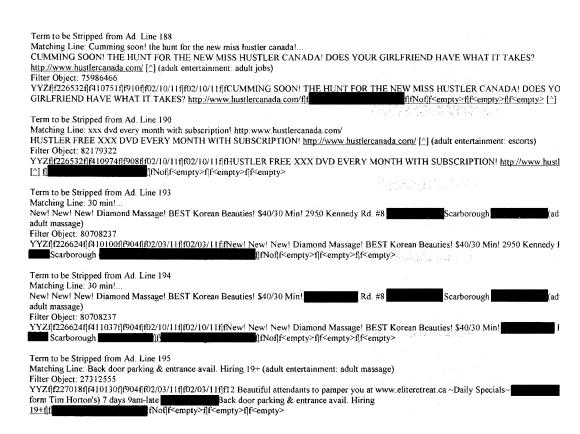


	Filter Object: 86765922 YYZfi[254957f][410720f][716f][02/10/11f][02/10/11f][fINCALLS Naomi 30 Very Busty & Curvy. Affecti Gentlemen. Massage+ Very Discreet Weston Rd./401 Incalls 24hrs. Sugar Daddy Pref. Serious Replies O		Minded
Ì	Term to be Stripped from Ad. Line 512  Matching Line: Daddy Pref. Serious Replies Only.  Filter Object: 86765922	Transfer of the second	
	YYZfj?254957f[8410721fjf908fjf02/10/11fjft02/10/11fjftNCALLS Naomi 30 Very Busty & Curvy. Affecti Gentlemen. Massage+ Very Discreet Weston Rd./401 Incalls 24hrs. Sugar Daddy Pref. Serious Replies O		Mindec
		ALSE TAY	
]	Matching Line: young ass! cum help me celebrate my Newest Sweetest Tender Young Ass! CUM HELP ME CELEBRATE MY 1ST DAY!! Brand New Cutie PETITE BEAUTY WITH NATURALLY TANNED SKIN AND A FIRM SLIM LITTLE BODY WITH ROUNDEST LITTLE BUM AND DELISH PERKY TITS. VERY OPENMINDED FRIENDLY AND S STATS: 5'4 105 32C/24/34 (adult entertainment: escorts) Filter Object: 78576874	DANGEROUS CURVES WITH	THE FU
	YYZĄCZ549786[4100016]9086[602/03/116]602/03/116]fNewest Sweetest Tender Young Ass! CUM HELP LITTLE SWEET NATALIE, 20YRS  * A PETITE BEAUTY WITH NATURALLY TAN DANGEROUS CURVES WITH THE FULLEST ROUNDEST LITTLE BUM AND DELISH PERKY T SO GIVE NATALIE A CALL  STATS: 5'4 105 32C/24/346f	NED SKIN AND A FIRM SLIM	LITTLÌ ENDLY
	Term to be Stripped from Ad. Line 514		
	Matching Line: young ass! cum help me celebrate my  Newest Sweetest Tender Young Ass! CUM HELP ME CELEBRATE MY 1ST DAY!! Brand New Cutie PETITE BEAUTY WITH NATURALLY TANNED SKIN AND A FIRM SLIM LITTLE BODY WITH ROUNDEST LITTLE BUM AND DELISH PERKY TITS. VERY OPENMINDED FRIENDLY AND S STATS: 5'4 105 32C/24/34 (adult entertainment: escorts) Filter Object: 78576874	DANGEROUS CURVES WITH	THE FU
	YYZfi[254978f]410747fj[908f]f02/10/11fjf02/10/11fjfNewest Sweetest Tender Young Assl CUM HELP LITTLE SWEET NATALIE, 20YRS A PETITE BEAUTY WITH NATURALLY TAN DANGEROUS CURVES WITH THE FULLEST ROUNDEST LITTLE BUM AND DELISH PERKY T SO GIVE NATALIE A CALL STATS: 5'4 105 32C/24/34fif	NED SKIN AND A FIRM SLIM	LITTLI ENDLY
	Term to be Stripped from Ad. Line 527  Matching Line: young pretty chinese & korean girls! 18 relaxing		

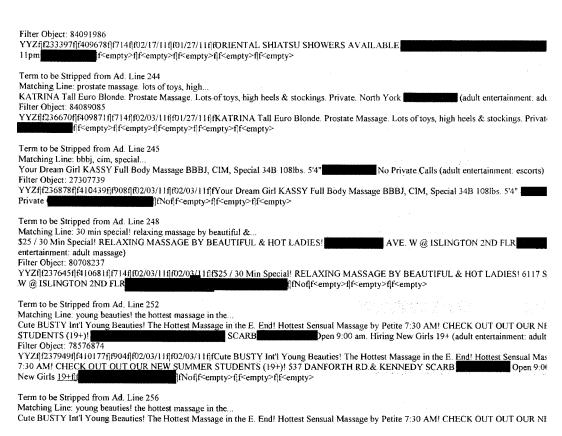


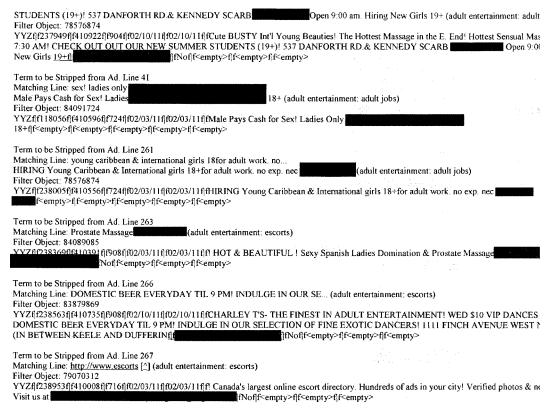


```
416-535-0139 f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f|f\!<\!empty\!>\!f
 Term to be Stripped from Ad. Line 164
 Matching Line: Young & pretty chinese & korean girls 18, relaxing massage...
 Young & Pretty Chinese & Korean Girls 18+, Relaxing Massage, West of Kipling @Lakeshore Boulevard west
 (adult entertainmer
 Filter Object: 78576874
 YYZfft223888fft908278fft904fft02/03/11ftf01/13/11fsfYoung & Pretty Chinese & Korean Girls 18+. Relaxing Massage. West of Kipling @Lakesh
 west
 ffNoff<empty>ff<empty>ff<empty>
 Term to be Stripped from Ad. Line 177
Matching Line: hung bodybuilder /male escort avail for private encounters!...
MARCO! HOT! Hung Bodybuilder /MALE ESCORT AVAIL FOR Private Encounters!
 (adult entertainment: male escorts)
Filter Object: 84085445
 YYZff<u>f226098ff410070ff710fff02</u>/03/11fff02/03/11ffMARCO! HOT! Hung Bodybuilder/MALE ESCORT AVAIL FOR Private Encounters!
 |fNof|f<empty>f|f<empty>f|f<empty>
2444f)
Term to be Stripped from Ad. Line 180
Matching Line: hung bodybuilder /male escort avail for private encounters!.
MARCO! HOT! Hung Bodybuilder /MALE ESCORT AVAIL FOR Private Encounters!
 (adult entertainment: male escorts)
Filter Object: 84085445
YYZf[0226098ff410750ff710fff02/10/11fff02/10/11fffMARCO! HOT! Hung Bodybuilder /MALE ESCORT AVAIL FOR Private Encounters!
 lfNoflf<empty>flf<empty>flf<empty>
Term to be Stripped from Ad. Line 185
Matching Line: xxx dvd every month with subscription! http://www.hustlercanada.com/
HUSTLER FREE XXX DVD EVERY MONTH WITH SUBSCRIPTION! http://www.hustlercanada.com/ [^] (adult entertainment: escorts)
Filter Object: 82179322
YYZff226532ff410030ff908ff02/03/11ff02/03/11ffHUSTLER FREE XXX DVD EVERY MONTH WITH SUBSCRIPTION! http://www.hustl
[^] [1
 fNofif<empty>fif<empty>fif<empty>
Term to be Stripped from Ad. Line 186
Matching Line: Cumming soon! the hunt for the new miss hustler canada!...
CUMMING SOON! THE HUNT FOR THE NEW MISS HUSTLER CANADA! DOES YOUR GIRLFRIEND HAVE WHAT IT TAKES?
http://www.hustlercanada.com/ [^] (adult entertainment: adult jobs)
Filter Object: 75986466
YYZfff226532fff41007lff910ff02/03/11ff02/03/11ffCUMMING SOON! THE HUNT FOR THE NEW MISS HUSTLER CANADA! DOES YO
GIRLFRIEND HAVE WHAT IT TAKES? http://www.hustlercanada.com/fff
 fNoff<empty>ff<empty>ff<empty> [^]
```



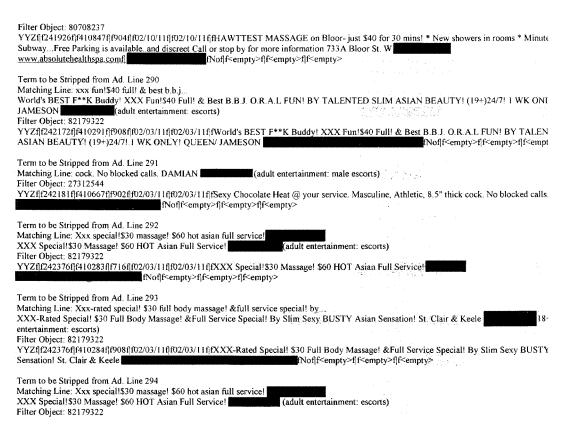
```
Term to be Stripped from Ad. Line 39
Matching Line: oral, fetish,...
BOOB LOVERS 40DD - $40 BEST WINTER TREAT ORAL, FETISH, EXPERT LIPS, FACE SITTING, PROSTATE MASSAGE. 37yrs DEBE
 (adult entertainment; fetish & fantasy)
Filter Object: 27312549
YYZfft109506fft110740fft720fft02/10/11fft02/10/11fft0OB LOVERS 40DD - $40 BEST WINTER TREAT ORAL, FETISH, EXPERT LIPS, FA
PROSTATE MASSAGE. 37yrs DEBBIE fempty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empty>f|f<empt
Term to be Stripped from Ad. Line 196
Matching Line: Back door parking & entrance avail. Hiring 19+ (adult entertainment: adult massage)
Filter Object: 27312555
YYZfif227018fjf410963fjf904fjf02/10/11fjf02/10/11fjf12 Beautiful attendants to pamper you at www.eliteretreat.ca ~Daily Specials~
form Tim Horton's) 7 days 9am-late
 Back door parking & entrance avail. Hiring
 fNof|f<empty>f|f<empty>f|f<empty>
Term to be Stripped from Ad. Line 202
Matching Line: 30mins good massage 809 danforth...
New Open Nice Girl 18+ $30/30mins Good Massage
 (adult entertainment: adult massage)
Filter Object: 80708191
YYZflf227585flf410597flf714flf02/24/11flf02/03/11flfNew Open Nice Girl 18+ $30/30mins Good Massage 809 Danforth Av
 f<empty>fjf<empty>fjf<empty>fjf<empty>fjf<empty>f
Banned Ad. Line 231
Matching Line: theredzone.com/toronto/marlene" target="_blank">th... (adult entertainment: escorts)
Filter Object: 60821414
YYZfff232044fjf410279fjf908fjf02/03/11fff02/03/11fjfSophisticated Swedish blonde looks for classy gentlemen Oral Expert, Full Service DVP/Egl
 Nof]f<empty>f]f<empty>f]f<empty>
Banned Ad, Line 232
Matching Line: theredzone.com/toronto/marlene" target="_blank">th... (adult entertainment: escorts)
Filter Object: 60821414
YYZf[f232044f]f410780f]f908f]f02/10/11f]f02/10/11f]fSophisticated Swedish blonde looks for classy gentlemen Oral Expert, Full Service DVP/Egl
 fNof|f<empty>f|f<empty>f|f<empty>
Term to be Stripped from Ad. Line 237
Matching Line: showers available. 701a lawrence ave. west of allen...
ORIENTAL SHIATSU SHOWERS AVAILABLE. 701A Lawrence Ave. West of Allen Rd. 2nd Floor, 9am-11pm adult entertainm
massage)
```

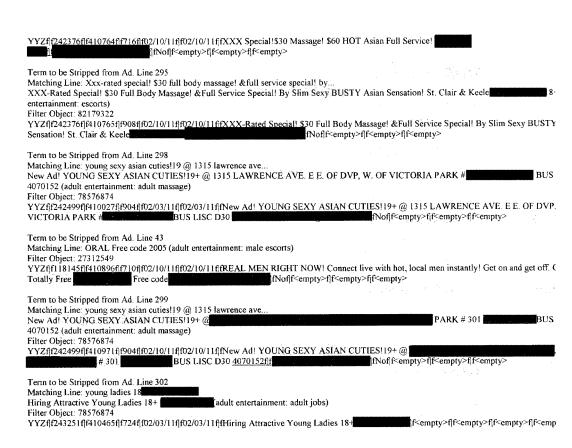




```
Term to be Stripped from Ad. Line 268
Matching Line: http://www.escorts [^] (adult entertainment: escorts)
Filter Object: 79070312
YYZfff238953fff411018ff716fff02/10/11fff02/10/11fff Canada's largest online escort directory. Hundreds of ads in your city! Verified photos & ne
Visit us at
 ffNoff<empty>ff<empty>ff<empty>
Term to be Stripped from Ad. Line 272
Matching Line: 30 min!
 $80/30 Min! (adult entertainment: escorts)
Jamaican Bombshell! Tanva Tall Slim 27 Beauty!
Filter Object: 80708237
YYZfff239448fff410137fff716fff02/03/11fff02/03/11fftJamaican Bombshell!Tanya Tall Slim 27 Beauty
 $80/30
 fNof]f<empty>f]f<empty>f]f<empty>
Term to be Stripped from Ad. Line 273
Matching Line: 30 min!
Jamaican Bombshell!Tanya Tall Slim 27 Beauty!
 $80/30 Min! (adult entertainment: escorts)
Filter Object: 80708237
YYZfff239448fff410926fff716fff02/10/11fff02/10/11fjfJamaican Bombshell!Tanya Tall Slim 27 Beauty!
 $80/30
 fNof[f<empty>f]f<empty>f]f<empty>
Min!fif
Term to be Stripped from Ad. Line 278
Matching Line: release some energy? come on in to meet...
 ORA HEALTH SPA
Want to Release Some Energy? Come On In To Meet Us! Only $35 With This Ad!
Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring 19+ (adult entertainment: adult massage)
Filter Object: 84090770
YYZfif241398fif410020fif904fif02/03/11fif02/03/11fifWant to Release Some Energy? Come On In To Meet Us! Only $35 With This Ad!
HEALTH SPA 1230 Sheppard Ave W #5 (west of Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring
 fNof[f<empty>f]f<empty>f]f<empty>
Term to be Stripped from Ad. Line 279
Matching Line: release some energy? come on in to meet...
Want to Release Some Energy? Come On In To Meet Us! Only $35 With This Ad!
 ORA HEALTH SPA
Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring 19+ (adult entertainment: adult massage)
Filter Object: 84090770
YYZfft241398ff410078fft904fft02/03/11fft02/03/11fftWant to Release Some Energy? Come On In To Meet Us! Only $35 With This Ad!
HEALTH SPA 1230 Sheppard Aye W #5 (west of Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring
 fNot|f<empty>f|f<empty>f|f<empty>
```

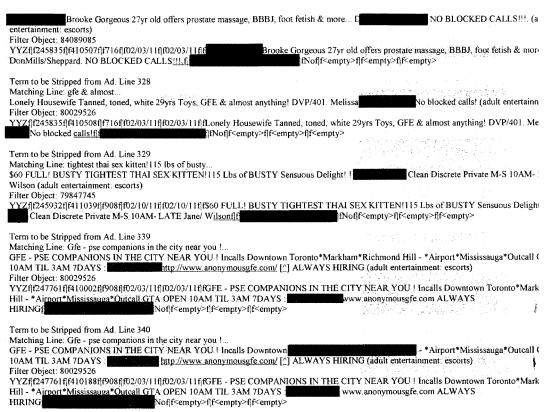
```
Term to be Stripped from Ad. Line 281
Matching Line: release some energy? come on in to meet...
Want to Release Some Energy? Come On In To Meet Us! Only $35 With This Ad! ORA HEALTH SPA
Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring 19+ (adult entertainment: adult massage)
Filter Object: 84090770
YYZfff241398fff410757ff904fff02/10/11fff02/10/11fffWant to Release Some Energy? Come On In To Meet Us! Only $35 With This Adl
HEALTH SPA 1230 Sheppard Ave W #5 (west of Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring
 Nofif<empty>fif<empty>fif<empty>
Term to be Stripped from Ad. Line 42
Matching Line: ORAL Free code 2005 (adult entertainment: male escorts)
Filter Object: 27312549
YYZfff18145fff410162fff710ff02/03/11fff02/03/11fff02/03/11fffREAL MEN RIGHT NOW! Connect live with bot, local men instantly! Get on and get off. (
Totally Free
 Free code
 ffNofff<empty>fff<empty>fff<empty>
Term to be Stripped from Ad. Line 283
Matching Line: release some energy? come on in to meet...
Want to Release Some Energy Come On In To Meet Us! Only $35 With This Ad! See ORA HEALTH SPA
Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring 19+ (adult entertainment: adult massage)
Filter Object: 84090770
YYZfff241398fff410997ff904fff02/10/11fff02/10/11fffWant to Release Some Energy? Come On In To Meet Us! Only $35 With This Ad!
HEALTH SPA 1230 Sheppard Ave W #5 (west of Chesswood) 7 Gorgeous Ladies! Massage + Beauty= Happiness! 10AM-9PM Hiring
 Noffsempty>ffsempty>ffsempty>
Term to be Stripped from Ad. Line 286
Matching Line: 30 mins! *...
HAWTTEST MASSAGE on Bloor- just $40 for 30 mins! * New showers in rooms * Minutes from Christie Subway...Free Parking is available..an
 http://www.absolutehealthspa.com/ [^] (adult entertainment: adult massage)
stop by for more information
 St. W
Filter Object: 80708237
YYZf[f241926f]f410240f]f904f]f02/03/11f]f02/03/11f]fHAWTTEST MASSAGE on Bloor- just $40 for 30 mins! * New showers in rooms * Minute
Subway...Free Parking is available, and discreet Call or stop by for more information 733A Bloor St. W
 fNof[f<empty>f]f<empty>f]f<empty>
www.absolutehealthspa.comf
Term to be Stripped from Ad. Line 287
Matching Line: 30 mins! *...
HAWTTEST MASSAGE on Bloor- just $40 for 30 mins! * New showers in rooms * Minutes from Christie Subway...Free Parking is available..an
 http://www.absolutehealthspa.com/ [^] (adult entertainment: adult massage)
stop by for more information 733 A Bloor St. W
```



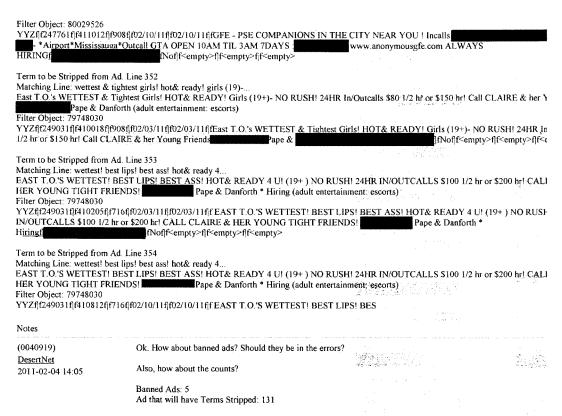












	Thanks.
(0040920) padillaa	Carl's reply:
2011-02-04 14:39	"The counts are create. Missing category error reports with specific ad text is good.
	Maybe we should include banned ads too (since it is similar to missing category)"
(0040921) DesertNet	Sorry, we don't fully follow this.
2011-02-04 14:43	Our suggestion is to evaluate the email above and let us know what to specifically remove. We personally think information and should stay but we can certainly remove anythign you'd like. Just shoot us the list.
	Thanks!
(0040923) ferrerc	Let's remove anything like this:
2011-02-04 18:03	Term to be Stripped from Ad. Line 33  Matching Line: STRAP-ON, TOYS, ROLEPLAYING, X-DRESSING, B/D FRIEN (adult entertainment: esco Filter Object: 27312539
	YYZfftx53290fft409165fft730fft02/10/11fft02/10/11ffth VOLUPTUOUS 7 TIRED OF PAYING FOR AN HOU ONLY MINUTES? ANNA-SEXY FULL FIGURE, drk hr 35yrs, 5'9", 180lbs, 44DD-34-42. DOMINATION, S
May Madel	TOYS, ROLEPLAYING, X-DRESSING, B/D FRIENDLY & PRIVATE30+GENTS  [Nof]f <empty>f]f<empty>f]f<empty></empty></empty></empty>
	Why?
	The strip out affects almost every adult ad.  We don't care if it impacts print ads
	We don't even care about adult print imports anymore, we don't need them.
	That said, we di allow a few papers to get them.
	The email reports are not going thru since the email's are so large and full of text that they are not getting to the think their ads are not going online.
	IN short, ignore any reports on strip outs in the emails to the papers except this "Ad that will have Terms Stripporetty cool to see how aggressive we are in using strip out.)

Monita Mohan Wednesday, February 18, 2011 10:54 PM Andrew Padilla Carl Ferer; Joye Vaught Re: locking ads from editing on behalf of Monita Mohan

From: Sent: To: Cc: Subject:

## Hi Andrew

Thanks for the update. Our team in India has never locked any users from editing ads. They do not have the authorization to do that and I think it is better that they do not attempt it at this point in time. I will let them to expect a bigger volume in edited ads.

Best Monita

On Wed, Feb 16, 2011 at 2:22 PM, Andrew Padilla > wrote: Hi Monita,

We're having our developers give our users a clean slate regarding editing rights. Any ad that has previously been locked out from editing, will have those rights restored in the very near future. The likely impact to your staff will be an increase in violations coming through the Edited queue.

In order to not work against this effort, I'm going to have the staff in Phx go easy on some types of violations. My feeling is that we should reserve locking ads to instances where there is a clear offer of sex-for-money or graphic images of sex acts / biatantly exposed genitalia.

For instance: blank pricing, "69" in the age field, breasts covered by hands or arms and thongs riding a little too low should not be treated the same as offers for blowjobs, anal and images of sexual intercourse. These aren't the only examples and I realize that this more lenient policy can't necessarily be easily conveyed to our moderation crews but I feel the general stitude change should be communicated in some form. Put succincity, moretards should er on the side of the user and reserve locking ads for the worst offenders. Let me know if you have any questions. Thanks.

Monita Mohan Manager El Camino Technologies LLC



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message. Any confidentiality or privilege is not waived or lost if this e-mail has been sent to you by mistakelf you are NOT an authorized recipient, you are prohibited from using, delivering, distributing, printing, copying, or disclosing the message or content to others and must delete the message from your computer.

From: Sent: To: Subject: Andrew Padilla Wednesday, February 16, 2011 5:48 PM Carl Ferrer Re: delete whole ad terms (draft) on behalf of Andrew Padilla

i think "daddy" is about context. it's another nail in the coffin of an ad that's probably already got a lot wrong with it. but if it's just someone saying, "who's your daddy?", it's completely innocuous. it's safe to take it off this list and we can continue to strip it and/or handle it on a per ad basis. the final solution for this should be an alert sent to the global monitor and not a strip out.

"lactating" is a little trickier. it's implies some exchange of bodily fluids which kills our "companionship" argument. but i don't think we've ever really gotten in trouble for it. we got in trouble for pregos and not all of the lactaters are necessarily pregnant. i can live with the bodily fluids angle, it's fetishy and pushes the edge at a time when we're losing our edge, we should continue to strip it and only delete the ad when it's clearly also a prego ad.

Andrew Padilla Operations Manager Backpage.com | Village Voice Media

>>> On 2/15/2011 at 5:12 PM, Carl Ferre	wrote:
Hev Andrew.	a <u>r in die de de la compaña</u> s de Catalón, de Brancos, la Calabara.
I told Scott the list was coming soon. I	added GFE and PSE at his request.
Do you think we should remove the foll	lowing because they are not prostitution terms (they are really just bad taste):
daddy	towing become undy are not prostitution terms (they are really just but taste).
lactating	생용이 나타가 하다 이 성임생활이 나타를 나타가 없는 사람들이 얼마나다.
carl	
Can	
***=========	
69	
all access all inclusive	
an inclusive anal	
back door	
bareback	
barely legal	
blow job	
breaking in	
car date	
d.a.t.y.	그리즘은 경기 열었다고 사용될 이 호텔된 그는 그 노래의 그리었다.
daddy	
deep throat facial	
fisting	
foreign languages	
full service	
GFE greek	
happy ending	
highschool	높다. 이상 경기로 주민을 보는 경기를 내려지 않는 경험을 하는 것이다.
lactating	
little girl	
Iolita	

oral pregnant PSE quickie schoolgirl teenage

On Feb 7, 2011, at 3:06 PM, Andrew Padilla wrote:

-

From: Sent: To: Subject: Attachments: Andrew Padilla Thursday, February 17, 2011 8:36 PM Scott Spear delete whole ad terms delete whole ad_v2.xls

Hi Scott,

Attached is a list of terms Carl asked me to send to you. These are the terms we would delete an ad for rather than edit.

-Andrew

1

## 255

See Native Document

See Native Document
App.000255

From: Sent: To: Subject: Attachments: Andrew Padilla Thursday, February 17, 2011 8:36 PM Scott Spear delete whole ad terms delete whole ad_v2.xls

Hi Scott,

Attached is a list of terms Carl asked me to send to you. These are the terms we would delete an ad for rather than edit.

-Andrew

Andrew Padilla Operations Manager Backpage.com | Village Voice Media

## 257

See Native Document

See Native Document
App.000257

69
all access
all inclusive
anal
back door
bareback
barely legal
bbbj
blow job
breaking in
car date
d. a.t.y.
daddy
deep throat
facial
fisting
foreign languages
full service
GFE
greek
happy ending
highschool
lactating
little girl
lolita
oral
pregnant
PSE
quickie
schoolgirl
teenage

App.000258

BP-PSI-00013248-A Document Natively Prodiced to PSI 69
all access
all inclusive
anal
back door
bareback
barely legal
bboj
blow job
breaking in
car date
d.a.t.y.
daddy
deep throat
facial
fisting
foreign languages
full service
GFE
greek
happy ending
highschool
lactating
little girl
lolita
oral
pregnant
PSE
quickie
schoolgirl
teenage

App.000259

BP-PSI-00013248-A1 Document Native File Produced to PSI From:
Sent:
Fiday, February 18, 2011 10:16 PM

Adam Allen Amanda Bryan Cathleen Cody
Dawn Devyn Donavon Ian James Jana
Jason Jeff Jennifer Jessica John Justin Kolter
La Tamara Levi Maria Martina Matthan Michael Michael Michael Michael Sara Sean Stefano
Cc:
Subject:
another term bites the dust
good.jpg; bad (jpg; bad (2).jpg; bad (3).jpg

All:

We've been filtering out the terms "TER" and "The Erotic Review" along with links to theeroticreview.com since January of this year but our internet safety expens have suggested we take a more aggressive approach.

Effective immediately, any variation of, or reference to, TER is banned. If you find it in an ad, remove the phrase and update the ad but do not lock the ad from editing for this violation alone. If the review ID number is attached to the reference (TER #8675309), remove the ID number along with the TER reference.

If you find a string of numbers without a direct reference to TER, it's allowed. Examples:

"#123456"

"Well Reviewed #666666"

"Google my reviews #12011201"

An easy way to weed out a good chunk of these references is to do a search for "TER" on the city page. You'll get some false positives but it should point you in the right direction. Non-adult spammers will sometimes use hidden keywords like "block bus ter video" and the search will see the tail-end of "bus ter". To avoid this, you can start your search after you've navigated to the Adult section of the city.

I'm attaching 4 example screenshots of what is not allowed (circled in red) and 1 example screenshot of what is okay (circled in green).

If you have any questions, please ask me or Joye. Thanks.

Operations Manager Backsage.com : Village Voice Media

From: Sent: To: Subject: Attachments:

Carl Ferrer on behalf of Carl Ferrer Wednesday, February 23, 2011 1:19 AM carl Fwd: Re: TASK 1: List of strip out or banned terms
Re: TASK 1: List of strip out or banned terms

1

App.000262

BP-PSI-2_00012632- A1 Document Native File Produced to PSI

all access
all access
All Axxess
all doors open
All inclusive
all inclusive
all inclusive
all options avail
all three doors
all three holes
alley girl
always leave happy
an plosive
anal
anal
anal
anything goes
Anything Goes (wink wink)
arouse you in person
ask me where I want it
ass filter filter filter filter all access filter exact word filter ask me where I want i ass ass up panties down B O O T Y b shower B.a.C.k.Y.a.R.d. b.b.b.j. b.b.b.j. b.b.b.j. b@ckdoor b2b back alley back door Back-door backstage pass BALL BUSTING ball torture bang filter filter filter exact word n/a filter filter filter filter filter n/a filter filter filter filter filter filter filter filter bang bang for your buck filter bang for you bare bare back bareback barely legal barelylegal bbbj BBBJA bbbjtc bbbjtcim bbbjtcws bbbjwf bbfs

App.000263

BP-PSI-2_00012632- A2 Document Native File Produced to PSI

bbj	filter	
bbjs	filter	
BD (big dick)	highlight	
Becky	filter	
bend over and be my bitch	filter	
bf3	filter	
bfe	filter	
b10w	filter	
blo n go	filter	
blow	filter	
blow job	filter	
blow pop	filter	
blowing	filter	
blowiob	filter	
blowpop	filter	
blows	filter	
bng	filter	
bnj	filter	
Body 2 body	n/a	
body slide	n/a	
body2body	n/a	
bodyslide	n/a	
boning	filter	
BOOTY	n/a	
Bottom	too broad	
bottoms up	filter	
boyfriend experience	filter	
bpgf.,e	filter	
breaking in	filter	alert
brown shower	filter	aicit
Brwn Showers	filter	
bukkake	filter	
bumper services	filter	
bust a nut	filter	
c u m	filter	
c.u.m.	filter	
C.U.M.M.	filter	
C/U/M	filter	
candy stick	filter	
cant eat just one	filter	
car date	filter	
cat	too broad	
cat bath	filter	
catheter	filter	
cbi	filter	
cbt	filter	
CBT	filter	
CBT/NT		
	filter	
cck hungry	filter	
cds	filter	
cfs	filter	

cheerleader	filter	alert
chocolate dream pie	n/a	
CIM	filter	
clean your pipes	filter	
cm	filter	
Cock .,	filter	
cock and ball bondage	filter	
cock and ball torture	filter	
come get some juicy ass	filter	
COME OVER ME WITH YOUR LOVE	filter	
come paint me	filter	
complete	too broad	
Completion	filter	
covered	filter	
covered conversation	filter	
covered convos	filter	
cream all over my face	filter	
creampie	filter	
creamy	filter	
cum	filter	
cum	filter	
cum.	filter	
CUMe	filter	
cuminget this FRESH-PUZZY-CAT	filter	
cumm	filter	
cunt	filter	
d.a.t.y	filter	
d.a.t.y.	filter	
da.ty	filter	
daddy	filter	alert
dato	filter	
daty	filter	
Deep conversation	filter	
deep kisser	filter	
deep tension release	filter	
deep throat	filter	
deepthroat	filter	
deepthroatyummy	filter	
devour your manhood	filter	
dfk	filter	
dildo	filter	
dildo gag	filter	
dirty slut	n/a	
diy	filter	
Doggie Style	filter	
dome	filter	
doubles	filter	
drippin	filter	
dripping	filter	
drippy kitty	filter	
dryhump	filter	
· , r		

duttslist
edible
enema
enemas
enter in back door
enticingflavors
erotic rendezvous
explode
express session
eyeonback
F/S
face down ass up filter F/S
face down ass up
face sitting
Facesitting
facial
fb2fb
fbsm
FCK ME
felching
fire dome
Fire-ice
fisting n/a filter filter filter filter filter filter filter filter fisting fkk Flow-time fob too broad filter filter filter filter for your pleasure forced bi foreign languages FOTC (fuck of the century) fov fresh fresh meat alert filter FS fu11 serv1ce Fuck fuk ful/serv full course full course full course full course menu full release Full Satisfaction full service Full Services Full Treatment full weight face sitting full-service FULLSERVI FULLSERVI FULLSERVI G & B showers filter filter filter filter filter

App.000266

BP-PSI-2_00012632- A5 Document Native File Produced to PSI

g shower G-f-e G-spot massage G.F.3. G.F.E G.R.E.8.K filter fi G.R.E.8.K
g.showers
GIF/E
GE.EFF..EE
get into the pink
get me juicy
get your ego stroked
get your load off
getting down
gf
GF E
GF3
GFE
girl friend experience GFS

GFE

girl friendy

GFE

girl friendy

Girl-friend experience

girlfriend experience

girlfriend experience

girlfriend experience

girlfriend experience

girlfriend Pleasure

girlfriend SPECIALS

girlfriendly

give it to me rough

gloryhole

gmdw

go deep

go in hard

golden baptismal shower

golden showers

Golden Showers/Brown Showers

goldenshowers

Goldenshowers

GoldonShowers

GoldonStrings filter Goldn Shower GoNoStrings Got Milk gr-eek gr-\$\$k gr3ak gr88k gre#ce gre3k great kisser filter filter filter filter filter filter filter greece greeeek filter filter

App.000267

BP-PSI-2_00012632- A6 Document Native File Produced to PSI

Greeek	filter	
greek	filter	
grk	filter	
gs	filter	
h alfhr	filter	
h@@d	filter	
h/hr ·	filter	
h0les	filter	
hOrny	filter	
half	filter	
half and half	filter	
half hour	filter	
Half/hr	filter	
hand release	filter	
hand release	filter	
handrelease	filter	
hands only	filter	
happy ending	filter	
happy session	filter	
have~~~it~~~your~~~way	filter	
head	filter	
head doctor	filter	
head nurse	filter	
here to give you what you need when you want it	filter	
herpes	filter	
hh	filter	
hhr	filter	
hhr	filter	
high school	filter	alert
highschool	filter	alert
hips	too broad	4,5,1
hj	filter	
hlf/hr	filter	
hole	filter	
holes	filter	
hoover	filter	
horney	filter	
horny	filter	
horny	filter	
hot n ready	filter	
hummers	filter	
hung	filter	
hung and ready to release	filter	
hung men only	filter	
l aim to please	n/a	
l always say yes	filter	
am bow legged and have very nice rack	filter	
I do everything	filter	
I do it all	filter	
I do what she won't	filter	
I don't say no	filter	
· upin cup no	inter	

```
I enjoy being on top
I just love to eat caucasian meat
I love to
I love to make it rain
I need your hard
I never say no
I want your cream
I wasn't done daddy
I will do all those naughty lil things your wifey won't!
I'll do things she won't do
I'll do what she wont
I'll get it juicy
I'm a bottom
I'm a top
I'm a top you're a bottom
Ice-fire
 filter
filter
 titer
too broad
filter
filter
filter
filter
 filter
 filter
filter
filter
 filter
filter
filter
filter
 Ice-fire innocent
 filter
 alert
 interested in breaking in the fresh meat
 interested in bi
juicy
juicy pink kitty
kitty
kat
kitti
kum
kum
kumed
kumed
kumm
lactate
 filter
 too broad
 filter
filter
 filter
filter
 exact word
 filter
filter
 filter
filter
 filter
filter
filter
filter
filter
filter
filter
filter
 lactating
lady pipe
let me sit on it
lets bone
 lip service
lips only
little girl
lolita
 alert
alert
alert
alert
 lolli
lollita
 filter
filter
 Love Stick
 too broad
 lover
 loves bottom
loves to deep kiss
 filter
filter
filter
filter
 loves to deep kis
loves to ride
loves top
make love
make me moan
 filter
filter
 make you moan
manual end
Meat Stick
melt in mouth
 filter
filter
 filter
```

melt in your mouth not in your hand milf milk milking	filter n/a filter filter
milking	filter
milky	filter
mind blowing	filter
Missionary	filter
moist MSOG	filter
multi pops	filter
multiple finishes	filter
multiples	filter filter
multipops	filter
my lips and fingers	filter
my tongue ring is a magical seduction ready for suction	filter
n0 hol3s barred	filter
nasty sanchez	filter
natural conversation	filter
natural convos	filter
naughty (not AJ or PW)	filter
nimf	filter
nimfo	filter
no giove no love	filter
No limitations	filter
no limits	filter
Nookie	filter
not n' ready	filter
nqbs	filter
nqns	filter
nurse maid	filter
nursemaid	filter
nutcracking	filter
Nymph	filter
Nymph0 Nymphette	filter
nympho	filter filter
nympho	filter
On my knees	filter
on my knees	filter
on my lips	filter
Oral	filter
ORAL EXAM	filter
ORAL EXPERT	filter
Oral Fixation	filter
orally	filter
orgasm	filter
oril	filter
owo	filter
P-ON PLAY	filter
P.r.o.s.t.a.t,e.	filter

P.S.E	filter	
p.u.s.s.y	filter	
p0rn	filter	
panties are off	filter	
pegging	filter	
penetrating	filter	
petite	n/a	
pink	filter	
pnp	n/a	
porn	filter	
pounding	filter	
pr0st@te	filter	
preg	highlight	alert
preggo	highlight	alert
pregnant	filter	alert
prego	highlight	alert
prostate	filter	
prostate	filter	
prostate exam	filter	
prostate massage	filter	
prostatic massage	filter	
prostrate	filter	
PSE	filter	
pstar	filter	
pu\$\$i	filter	
pu\$\$y	filter	
pu\$\$y	filter	
pussy	filter	
put a sponge in my panties	filter	
put it in my kitty	filter	
Q.Q.	filter	
qfe	filter	
gk	filter	
gky	filter	
qq	filter	
qs	filter	
quickee	filter	
quickie	filter	
quicktime	filter	
quicky	filter	
quikee	filter	
qv .	filter	
rape	filter	
rbgfe	filter	
Ready 2 get worked	filter	
ready to bust	filter	
ready to play with me	n/a	
release	filter	
release tension	filter	
release your tension	filter	
ride	too broad	

ride me	filter	
ride this pony	filter	
ride your pony	filter	
rider	filter	
riding wood	filter	
rimming	filter	
rock your world	n/a	
roman showers	filter	
russian massage	filter	
spinner	filter	
sacred spot	filter	
safe	n/a	
satisfaction guaranteed	filter filter	
satisfy your needs		
scat	filter	-14
school girl	filter	alert
schoolgirl	filter	alert
scrotal infusion	filter	
scrotal infusions	filter	
sensual satisfaction	filter	
sex	filter	exact word
sexygfes	filter	
sey (sex)	filter	exact word
shemale experience	filter	
shiftmaster	filter	
shoot all your hot stuff all over me	filter	
short session	filter	
shower shows	filter	
showers	filter	
ski	n/a	
skwirt	filter	
slip n slide	filter	
slow strokes	filter	
slurp	filter	
slurp slurp	filter	
slurpy	filter	
siut	n/a filter	
slut! III have u squirting! SME	?	
	n/a	
snow bunny snowball	filter	
snowbuni	n/a	
snowbunni	n/a	
snowbunny	n/a	
soak my kitty	filter	
soakd	filter	
soaked	filter	
soaking	filter	
sot	filter	
specialist	n/a	
spiner	filter	
opino	mei	

spinner spinner splash on buzzims experience filter squirt squirt squirter squirting squrrrt squrt stimulation str^p on pl^y strap action strap on strap on play filter filter filter filter filter filter Strap-on Strap-on Training Strap-on Training
Strapon
stroke you
stuff me like a turkey
Suck
suckable
suction
super head filter filter filter filter filter super head
super soaker
superdome
swallow
swallow
swallow
sweET
switch
T-E-R
T.E.R
T.E.R.
take a l-o-a-d
take a load off on me
take it all
take your load off
teenage
temporary girl friend
TER
they both do everything and are very eager to please
thick end for you to cream in
threesome
tight
tight
title
tnt explosive
toff super soaker filter filter n/a n/a filter alert tnt explosive toftt filter filter tongue massage Top Top of your to do list top/bottom filter too broad filter filter

touch and explore touch my kitty transexual experience trip to the islands triple x tubaholic filter filter filter filter filter tuma twice (next to pricing) filter too broad twink twinkie n/a n/a filter filter filter filter un covered uncovered uncovered uncovered services unsafe until you're ready to let go n/a filter until you're ready to I
vip experience
vip service
VIP two cup special
vv3 (two v's)
W 3 t
w3t
w3t
w3t na/ n/a filter filter filter filter filter w3tt w3tt filter filter water sports watersports water sports
water sports
wbj
welcum
wet
wett
wett
wett
wetter
what she won't do, I will
will please your every need
willing to please
wink
with a very cute little kitty
with all the benefits
wrapper on candy
x plode
x x x
x x x star service
x/x/x/
xxx filter XXX XXX filter filter filter filter xxxplosive xxxstar

yes papi	n/a	
ymmv	filter	
yoni	filter	
young	filter	alert
your girl next door thats always willing to please a neighbor	filter	
Yung	filter	alert

App.000275

BP-PSI-2_00012632- A14 Document Native File Produced to PSI

From: Sent; To;	Andrew Padill. Wednesday, F Carl Ferrer	a February 23, 2011 1:1		half of Andrew Padi	lla
Subject: Attachments:	Re: TASK 1: L Phrase List 02	ist of strip out or band 2211.xls	ned terms		
	itest greatest version of the it. you've got me and i'			d. screenshots, exa	ample user
Andrew Padilla Operations Manager Backpage.com (Village					
I have to gath	1 at 5:43 PM, Carl Ferrer er info for this presentatio anyone to help me, I said	n to NCMEC. So, I'm		with these requests.	When Larkin
Task 1: I need a list of	banned, stripped out adu	ilt terms and/or the ma	any deviations of the	terms.	
I won't be han	ding it out, but I may quot	e from it when doing r	ny presentation.	e commence	
- carl			Military and the		
e e e e e e e e e e e e e e e e e e e					
		1.11.11%	1.11		

## **CONFIDENTIAL DRAFT FOR REVIEW 2/25/11**

For \$3,000, Backpage.com Allowed Us to Advertise This 13-Year-Old Across the U.S.

- Ad took less than 5 minutes to post across hundreds of cities
- Ad image was posted online instantaneously
- All personal information about the poster was fabricated
- All credit card information was anonymous
- Ad received over 30 calls within
   7 minutes of being placed



From:

```
support@VillageVoiceMedia.com
Wednesday, October 24, 2012 10:09 PM
Sent:
To:
Subject:
 [Backpage.com 0013628]: user activity reports
 The following issue has been CLOSED
http://tasks.vvmedia.com/view.php?id=13628
Reported By: padilla
Assigned To: vaughtj
Project:
Issue ID:
 Backpage.com
13628
 backpage.com
always
Category:
Reproducibility:
Severity:
Priority:
 minor
normal
Status:
 closed
support
Task Type: ...
Task Activity:
 Open
 Task Scope:
 Small
 Source:
Exp. Start Date:
Exp. Comp. Date:
Exp. Comp. Date:
Fiscal Quarter:
Resolution:
 reopened
Fixed in Version:
Date Submitted:
Last Modified:
 03-01-2011 17:23 MST
10-24-2012 14:08 MST
 Summary:
Description:
 user activity reports
Is it possible to generate a report based on how many ads were viewed and edited by each individual bp username?
Example:
User|Date|Time|Ad Updated
bp15|3-1-11|510pm|No
bp15|3-1-11|511pm|No
bp15|3-1-11|512pm|Yes
User|Date|Total Ads Viewed|Total Ads Updated
```

From: Carl Ferrer Subject: NCMEC under aged pics test Date: March 2, 2011 11:52:15 AM MST To: Hemanshu Nigam Spear	Simrin Hooper	Scott
NCMEC posted 8 under aged pics. We have not for	ound all of them.	
We did find the national ad: Posted in all cities for \$2997.45 by Maria Stone, They included the phone number		
The ad link is below. It appears live but is actually http://phoenix.backpage.com/FemaleEscorts/ready	ghosted; -for-some-fun-18/12833625	
Ad history:  1. Original Posting date: Friday, February 25, 2011  2. Modernated (Tier 1): Approved by al47 at 2011-0  3. A review of the post shows the moderator follower.  4. It is likely our Tier 2 moderators would have also  3. A fraud sent email was triggered on the poet at  4. The ad was ghosted by staff as suspected fraud  1. The ad was live less than 2 minutes.  4. KOMEC reports 30 phone calls. This is possible.  5. The credit card charge was not settled and invo	I2-25 12-56:35 (INDIA) do our guidellines approved it. February 25, 2011 12:56:46 PM Ion February 25, 2011 at 12:58 pm	
Policy change recommendation: It would be good to have also included a NCMEC. We should report underaged pics whether they are in other words, report to NCMEC much more aggin. I asked Andrew to move forward on this task.	report in the process above. scammers or real ad posters, essively (blurred or not blurred) pics that could be underaged.	
ashed Andrew to Hidde to wait of this task.	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	
Marine de Proprieta de Caracteria de Caracte		
And the second	the grant decided and	
•		
and the second s		

From:

Andrew Backpage

Sent:

Wednesday, June 08, 2011 12:18 AM

Subject:

Carl Ferrer Re: Grand Jury Subpoena for Ad #4938884

i've actually seen that before and we edited it out. i chalked it up to poor taste on the part of the poster. how do you feel about me 404'ing all of those ads and blocking the card?

Andrew

On Tue, Jun 7, 2011 at 4:03 PM, Carl Ferrer

------ Forwarded message -

From: Carl Ferrer
Date: Tue, Jun 7, 2011 at 5:43 PM

Subject: Fwd: Grand Jury Subpoena for Ad #4938884

To: Andrew Padilla 4

Andrew,

Do a search on google. The one below worked best.

"amber alert" site:backpage.com inurl:FemaleEscorts

I had Dan add it to strip out.

Begin forwarded message:

From: Carl Ferrer

Date: June 7, 2011 5:16:34 PM CDT To: "Dave Torsiello"

Subject: Re: Grand Jury Subpoena for Ad #4938884

Looks like they edited their post and removed the "amber alert" reference. Maybe they received a bunch of complaints.

I found another post by this user:

http://dallas.backpage.com/FemaleEscorts/amber-alert-amber-alert-have-you-seen-me-21/13156420

I sent a pdf in case the user edits the post. The report you received at your office was accurate. This is either a horrible marketing ploy or some kind of bizarre new code word for an under aged person.

I instructed my engineers to ad "Amber Alert" in any adult posting to be on our forbidden list of terms. And, I will have my moderators review any existing postings with this term and possible send out NCMEC reports.

Thanks for bringing it to my attention.

- carl

On Jun 7, 2011, at 4:30 PM, Dave Torsiello wrote:

Hi Carl.

I'd love to be able to attend the conference!

I just received a Backpage ad information from my boss in reference to the ad URL. The ad Posting ID is 13233802 dallas. The URL shows to be (from the email we received) <a href="http://dallas.backpage.com/FemaleEscorts/amber-alert-amber-alert-amber-alert-have-you-seen-pheonix-20/13233802">http://dallas.backpage.com/FemaleEscorts/amber-alert-amber-alert-have-you-seen-pheonix-20/13233802</a>
The concern from the person who sent this to our office is that the Amber Alert system is being exploited. When I pull the ad up, the URL doesn't show any of the "Amber Alert" as shown above. Do you have any information that could help me out with this?

Thanks a bunch Carl.

Talk to you soon.

Talk to you soon. Dave

Sergeant Dave Torsiello #335 Human Trafficking Unit Law Enforcement Division Office of the Attorney General



6/7/2011 4:15 PM >>>

BTW: I plan to have a work shop at the Crimes Against Children Conference in Dallas this August.

Perhaps I will see you both there.

- carl

On Jun 7, 2011, at 4:03 PM, John Schneemann wrote:

See attached. Thanks for all of your help.

Sgt. John Schneemann #330 Law Enforcement Division Human Trafficking Unit Office of the Texas Attorney General

2



Steve Suskin

From:

Steve Suskin Monday, June 13, 2011 5:18 PM Carl Ferrer Re: browardpalmbeach.backpage.com: CONFIDENTIAL/PRIVILEGED ATTY-CLIENT COMMUNICATION. Sent: Subject: Try this: Backpage.com cannot verify the information you have provided. If you have evidence of illegal activity, please notify the appropriate law enforcement agency. Thanks. On Jun 13, 2011 8:19 AM, "Carl Ferrer" > Hey Steve, > A person keeps reporting a user that posted on our site for being arrested for prostitution. > He keeps contacting Anthony Gordon, > In my opinion and arrest is not a conviction. This user is not a police officer. So, I believe our reply to this user should be as follows: > "please contact your local police dept and report this posting." > Nothing i the post appears illegal.  $> \underline{\text{http://browardpalmbeach.backpage.com/BodyRubs/sexy-green-eyed-blonde-beauty-36dd-good-reviews-35/10965800}$ > Please send us your recommendation > - carl > On Jun 13, 2011, at 8:11 AM, Anthony Gordon wrote: >> He also left a vm and did a follow up call. I told him that it was sent to the appropriate people regarding backpage.com. He did not seem satisfied with may answer.... > he continues to send......ignore? >>>> [Redacted for Privacy]6/9/2011 5:13 PM >>>
> Dear Mr. Gordon, your discretion and confidentiality would be appreciated concerning this manner. > Sexy green eyed blonde beauty- 36DD - good reviews > Sensual AND therapteuc body rub > 5'6" 135 36DD natural and sensitive > (good reviews on INDIBOARD) > ^^^^^^^^^ Redacted for Privacy

```
To view this posting, please click the link below:

http://browardpalmbeach.backpage.com/BodyRubs/sexy-green-eyed-blonde-beauty-36dd-good-reviews-
> On Jun 10, 2011, at 8:06 AM, Carl Ferrer wrote:
>> Thanks.
 >> Not sure it is legit since the email did not come from a police dept. I also could not confirm it on the local
>>
 >> - carl
>> On Jun 10, 2011, at 9:42 AM, Anthony Gordon wrote:
>>> I received these this morning.
>>> Anthony Gordon
>>> Publisher
>>> New Times Broward Palm Beach
 >>>
 >>>
>>>
>>>
>>> <IMAGE.BMP>
>>> Fan/Follow/Friend/Like
>>> <IMAGE.png> <IMAGE.png>
 >>> From: Redacted for Privacy
>>> Date: June 9, 2011 3:19:13 PM CDT >>> To:
 >>> Subject: browardpalmbeach.backpage.com: (body rubs): Sexy green eyed blonde beauty- 36DD - good
 reviews
>>> Reply-To: Redacted for Privacy
>>> Dear Mr. Gordon, this is to inform you that Reduced for Privacy has been arrested for prostitution by the Coral Springs Police Dept. Broward County Case Reducted for Privacy
 >>> Sexy green eyed blonde beauty- 36DD - good reviews
 >>>
>>> Sensual AND therapteuc body rub
>>> 5'6" 135 36DD natural and sensitive
>>> (good reviews on INDIBOARD)
```

- Redacted for Privacy
  >>> To view this posting, please click the link below:
  >>> http://browardpalmbeach.backpage.com/BodyRubs/sexy-green-eyed-blonde-beauty-36dd-good-reviews-35/1096580

From: Sent: To: Cc: Subject:

Dan Backpage Friday, July 08, 2011 6:30 PM Andrew Backpage Carl Ferrer; Dan Hyer; Andrew Padilla Re: Photo ID and Age verification requests (version 2)

Looks good to me.

On Fri, Jul 8, 2011 at 12:22 PM, Andrew Backpage

wrote:

It looks good to me.

I do want to mention, between us, that a photo ID verification system, whether in-house or third party, will not only be easy to get around but would also create a false sense of security for everyone. I feel that if we had this system riddled with loopholes in place, we might stop reporting to NCMEC as aggressively. What we're doing now puts us in a position to review actual ads and more of them.

And even if an age verification system was a deterrent to someone hoping to post an ad on Backpage to traffic a minor, it doesn't mean they're going to stop trying to traffic a minor. It only means they won't be doing it on our site where Backpage, NCMEC and law enforcement are in the best position to put an actual stop to the crime.

Seattle Police and Kutcher want a salve when we're already offering a solution.

Andrew

On Fri, Jul 8, 2011 at 9:57 AM, Carl Ferrer

Am I missing anything here? Begin forwarded message:

From: Carl Ferrer
Date: July 8, 2011 11:20:10 AM CDT

To: Carl Ferrer Subject: Fwd: Photo ID and Age verification requests (version 2)

Begin forwarded message:

From: Carl Ferrer

Date: July 8, 2011 10:55:13 AM CDT

To: Tracey Mendrek

, Dennis Culloton

Cc: Jim Larkin

Subject: Photo ID and Age verification requests

From:	Andrew Backpage	
Sent: To:	Tuesday, August 09, 2011 11:12 PM Sara Backpage	
Subject:	Sara Backpage Re: deleted	
Subject.	ne. deleted	
freak and ask her out		
Andrew		
,		
On The Aug 9 2011 at 2	58 PM, Sara Backpage wrote:	
	t I dont like that term at all, I think Ashton Kutcher wild freak too!! haha	
, <b>,</b>		
O . T	21701	
good call i'm not comfor	:31 PM, Andrew Backpage ween though she looks 25 to me	
	table cutting the word teen even though she tooks 25 to the	
Andrew		
	and the second of the second o	
	:20 PM, Sara Backpage wrote:	
This one has the word Te		
	backpage.com/online/classifieds/EditAd?oid=14348460&id=www- 317baa4e22f-1312856881	
200347178206804627007	31/Vda+G221-1312d30661	
The generous men ones I	forgot were allowed, I spaced it.	
On Mon. Aug 8, 2011 at	10:51 PM, Sara Backpage wrote:	
on mon, rug o, zorr ar	witte.	
From Q:		
hite.//admin.co.ith.co.2 to	and the second of the second s	
	tckpage.com/online/classifieds/EditAd?oid=4753960&id=www- 03e18ebe538-1312838863	
MODEL TO GOOD TO GOOD TO	301000030 1312030000	
	kpage.com/online/classifieds/EditAd?oid=5196953&id=www-	
7135dd96013f980662963	699d501cdbf-1311086601	
http://admin.floudardala	backpage.com/online/classifieds/EditAd?oid=14348460&id=www-	
	317baa4e22f-1312856881	
	THE PROPERTY AND ADDRESS OF THE PROPERTY OF TH	
	kpage.com/online/classifieds/EditAd?oid=5139737&id=www- ld21e57bab5-1310145198	
- U / Und 13CDC135D3 / ZUCf30	Id216370803-1310143198	

Thanks! Sara

Thanks! Sara

Thanks! Sara

From: Sent: To: Subject:	Sara Backpage Wednesday, August 17, 2011 11:43 PM Andrew Backpage Re: banned terms
Thanks, I dont want	to over send and/or under send.
	011 at 3:36 PM, Andrew Backpage wrote: ave to reach out to more people for everyday reports.
if you ever run into	anything super bad though, i would email all 4 of us.
i'm talking, real unn	nistakable child stuff.
Andrew	
From Violation Que	oll at 2:23 PM, Sara Backpage wrote:  sue: I send it to u in that list of deletes. If from Abuse: Leave unread and "star" it. If I come e of these two I send a link to you or Joye.
I just didnt know if	I shld cc all the others in the Queue deleted email?
	011 at 2:17 PM, Andrew Backpage wrote:  when you think something should be reported?
Andrew	
On Wed, Aug 17, 20 Hello,	011 at 2:00 PM, Sara Backpage wrote:
When I send u my v	riolation queue deletes do u want a separate email with ads that fall into this category?
Thank you!	
On Wed, Aug 17, 20 All:	011 at 11:03 AM, Andrew Backpage wrote:
I've un-banned: hui	ng
and	
naughty	
	1

Additionally, you can start allowing "flat rate" if it's next to a price. This is just another form of blank pricing, which has been allowed for some time now.

Most importantly, if you run into terms that seem related to child exploitation (e.g. lolita, young, teen), don't edit the ad at all. Send an email to me, Joye, Adam and Jason (address all 4 of us) with a link to the ad so we can decide if a report to NCMEC is necessary.

I'll be sharing a list of banned terms on GoogleApps later this week.

Let me know if you have any questions. Thanks.

Andrew

Thanks!

Thanks! Sara

.

Thanks!

Sara

From: Sent: To: Subject:	Sara Backpage Wednesday, August 17, 2011 11:43 PM Andrew Backpage Re: banned terms
Thanks, I dont wan	nt to over send and/or under send,
	2011 at 3:36 PM, Andrew Backpage (2011) at 3:36 PM,
if you ever run into	o anything super bad though, i would email all 4 of us.
i'm talking, real un	mistakable child stuff.
Andrew	
From Violation Qu	2011 at 2:23 PM, Sara Backpage words:    wrote:   wrote:
I just didnt know it	f I shid cc all the others in the Queue deleted email?
	2011 at 2:17 PM, Andrew Backpage < > wrote: w when you think something should be reported?
Andrew	State of the Control
On Wed, Aug 17, 2 Hello,	2011 at 2:00 PM, Sara Backpage <
When I send u my	violation queue deletes do u want a separate email with ads that fall into this category?
Thank you!	
On Wed, Aug 17, 2 All:	2011 at 11:03 AM, Andrew Backpage < wrote:
I've un-banned: ht	
and	
naughty	

Additionally, you can start allowing "flat rate" if it's next to a price. This is just another form of blank pricing, which has been allowed for some time now.

Most importantly, if you run into terms that seem related to child exploitation (e.g. lolita, young, teen), don't edit the ad at all. Send an email to me, Joye, Adam and Jason (address all 4 of us) with a link to the ad so we can decide if a report to NCMEC is necessary.

I'll be sharing a list of banned terms on GoogleApps later this week.

Let me know if you have any questions. Thanks.

Andrew

Thanks!

Sara

Thanks! Sara

Thanks! Sara

2

From: Sent: To: Subject: Dan Backpage Wednesday, October 05, 2011 5:41 PM Andrew Backpage Re: UnAUTHORIZED TITLE EDITING Cool, just wasn't sure if it was intentional or not. On Wed, Oct 5, 2011 at 11:38 AM, Andrew Backpage wrot shit happens. probably an indian that got confused with barely legal. that's a strip out. wrote: we don't owe her consistency. if she wants to chargeback over what looks like an honest mistake, she has my blessing. Andrew On Wed, Oct 5, 2011 at 8:23 AM, Dan Backpage wrote: This is an old Phoenix New Times advertiser, I recall seeing their ads frequently. The ad was edited this morning at 7:15 central time, I don't think it was my staff. Do we allow this: "Barely 18" If so, we should have left the ad alone. If not, we should remove it from her other ads. I'm good either way - your the expert. Just trying to avoid the chargeback. --- Forwarded message ---From: V V < V
Date: Wed, Oct 5, 2011 at 12:18 AM Subject: UnAUTHORIZED TITLE EDITING
To: "support@backpage.com" <support@backpage.com",
"sales@backpage.com" <sales@backpage.com> 2nd Contact Attempt I posted my ad in San Antonio backpage. Here's the link: http://posting.sanantonio.backpage.com/online/classifieds/VerifyAd.html/5562383/44dc1926 It was placed under the email

The title in the ad has been edited without my knowledge/consent. It has been changed from describing one eighteen year old model to describing 18 models. This is RIDICULOUS.

I am sending you a screen shot of how I found my ad.

Neither the title, body, nor the pictures in my ad violate your guidelines. Of this, I am confident. Nowhere on your website do you advice advertisers that you will change the wording of the ads placed.

I am also sending you a link to my previous ad in the San Antonio backpage which reads exactly the same & includes the same pictures:

 $\frac{\text{http://sanantonio.backpage.com/FemaleEscorts/a-d-o-r-a-b-l-e-b-a-r-e-l-y-18-playmates-2_1_0-3_7_9-6_1_8_0-available-anytime-anyplace-18/5268911}$ 

This is my 2nd attempt to contact you. I have gotten no response back & my ad is still being sabotaged.

If this problem persists I will DiSPUTE the charges.

VELLET

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This is my 2nd attempt to contact you. I have gotten no response back & my ad is still being sabotaged.

If this problem persists I will DiSPUTE the charges.

VELLET

```
From:
 Joe Thursday, October 06, 2011 6:30 PM
Sent:
To:
Cc:
Subject:
 Carl Ferrer
Andrew Backpage
Re: New Age verification moderation queue questions...
See below for my comments:
On Thu, Oct 6, 2011 at 10:18 AM, Carl Ferrer MAC: see below:
> > If anyone puts in an age of under 18, we should fail them without even sending a query to
Aristotle. An error could pop up on the page:
> "Oops! Sorry, the ad poster must be over 18 years of age. " We can use the same error
message if they put an age under 18 on the posting form."
Agreed. This validation is already in place on live sites though... When I post escort ad with age 16 I get:
"Sorry, the ad poster must be over 18 years of age."
> This means we will have only two choices to appear in a new column in the queue:
> - verified
> ~ not verified
Not exactly. We will still have under 18 folks appear in moderation queue if user puts in "45" as age in posting form, but gets a "failed" (aka under 18 age verification). (I might be confused on this though)
> City| Status| Queue | User | Invoice | Ad title | Oate | Age
> City| Status| Verification
> Age Verification is a new column and it will have these values:
> Verified
 > Not Verified

 Sort:
 newest first
 After testing for a month: we will only flow in failed age verification ads in the queue.

> On Oct 6, 2011, at 9:48 AM, Joe Kaiping wrote:
>> ON added following note to new age verification ticket this morning
>> and I wanted to check with both of you on your thoughts of what will
>> happen during the age verification moderation queue process. For now
>> at least I'd suggest having ON put both under 18 and any unidentified
```

From: Sent: To: Subject:	Andrew Backpage Monday, November 14, 2011 11:29 PM Adam Backpage Re: adult search
pull the pic. it looks like	an accident.
if it's not an accident, it's	in poor taste. dan's gonna give them a call for us.
Andrew	
this is the second or third	at 3:55 PM, Adam Backpage wrote: It time they have posted a childs pic in their national ad. I wanted you to see it before in accident i think they are doing it on purpose to get us in trouble.
http://admin.austin.backj	page.com/FemaleEscorts/you-can-have-this-dream-girl-once-in-a-lifetime-
-Adam	

From: Sent: To: Subject:	Andrew Backpag Monday, Novem Adam Backpage Re: adult search	ber 14, 2011 11:29 PM
pull the pic. it look	ts like an accident.	
if it's not an accide	nt, it's in poor taste. d	an's gonna give them a call for us.
Andrew		
this is the second o	r third time they have	m Backpage <
http://admin.austin experience/542819		eEscorts/you-can-have-this-dream-girl-once-in-a-lifetime-
		-

From: Sent: To: Cc: Subject: Andrew Backpage Thursday, Nove Dan Backpage Carl Ferrer Re: Urgent internet research project we wrapped up the google purge around 1250am. the results page is still the same but it leads to listings and 404'd ads. the majority of the results were expired ads. i 404'd anything older than two months and edited the rest. in the end it was only 76 pages of results with a lot of redundancies. Andrew On Thu, Nov 17, 2011 at 6:02 AM, Dan Backpage Understood - we are on it. On Wed, Nov 16, 2011 at 9:05 PM, Carl Ferrer wrote: I have a task for you far below (task 3). I need to get some internet searches done first this AM and then sent to me. I need by 11 AM Dallas time. I have you for task 1 and task 2. carl Task 1: Please add any more sites you can think of for the search teen escorts, teen escorts site: <u>blogspot.com</u> - About 1,260,000 results teen escorts site: <u>filestube.com</u> - About About 58,200 results teen escorts site: wordpress.com - About 30,100 results teen escorts site: <u>yahoo com</u> - About 28,000 results teen escorts site: <u>livejournal com</u> - About 8,370 results teen escorts site: <u>youtube.com</u> - About 7,520 results

teen escorts site: <a href="mailto:cityvibe.com">com</a> - About 1,310 results teen escorts site: <a href="mailto:backpage.com">backpage.com</a> - About 1,730 results (NOTE: many of these are old ads, we could have DN fix

1 App.000300

teen escorts site: <u>facebook.com</u> - About 5,150 results teen escorts site: <u>myredbook.com</u> - About 4,840 results teen escorts site: <u>typepad.com</u> - About 4,640 results teen escorts site: <u>twitter.com</u> - About 4,400 results teen escorts site: <u>twimblr.com</u> - About 3,370 results teen escorts site: <u>blogger.com</u> - About 2,240 results

teen escort site: adultfriendfinder.com - About 703 results

#### Task 2: Please do the same search for Escorts

escorts site: blogspot.com - About xxxxxxx results escorts site: flestube.com - About About xxx results escorts site: wordpress.com - About xxx results escorts site: livejournal.com - About xxx results escorts site: livejournal.com - About xxx results escorts site: facebook.com - About xxxx results escorts site: myredbook.com - About xxxx results escorts site: myredbook.com - About xxxx results escorts site: typepad.com - About xxx results escorts site: typepad.com - About xxx results escorts site: twitter.com - About xxx results escorts site: blogger.com - About xxx results escorts site: blogser.com - About xxx results escorts site: blogser.com - About xxx results escorts site: adultfriendfinder.com - About xxx results

Hey Andrew, Can you do this?

Task 3: Get rid of "teen" escorts ads on our site so that we cna have fewer ads appear in google searches for teen escorts.

Go to google and search using the text below: site:backpage.com teen escorts

Remove ads with teens or remove the text teen from an ads (ignore cached pages of the category)

Example

http://newyork.backpage.com/FemaleEscorts/visiting-only-teen-japanese-cutie-19/22781908 http://newyork.backpage.com/FemaleEscorts/sexy-t-e-e-n-slut-jfk-incalls-crossbay-blvd-howard-beach-18/23567412

	Category:	Severity:	Reproducibility:	Date Submitted:	Last Update:
	[Backpage.com] backpage.com	minor	always	2011-07-26 10:34	2012-01-05 13:19
1	<b>Геггегс</b>	Platform:			
		OS:			
i	normal	OS Version:			
(	closed	Product Version:			
		Resolution:	fixed		
i	none				
1	none	Fixed in Version:			
		Target Version:			
:	support				
(	Open				
	Small				

Development ideas to improve user safety

DN: I have had meeting with DNA foundatiom (Demi and Ashton's group), Cook County Sheriffs Dept, Washington State AG's, and Seattle Mayor

They all have special requests which we need to vet and possibly implement.

The tasks below are from the DNA Foundation

1) Outfit Backpage with Bayesian filtering technology to search ad text and classify postings that appear to be underage/pimp-controlled based on analysis. Who can help execute: Megan, Corrie, Richard (Google) to speak with internal resources to identify volunteer consultant to work with Bidevelopers. Carl to brief Backpage developers and hire or reallocate additional resources as needed

#### Carl questions:

ls

a. Are we still using bayesian filter technology for spam control?

I don't think so. We could feed the filter any postings we feel are under aged and teach it to find postings containing terms like "first time", "pure" "school girl", etc. Many of these terms are stripped out or banned so users can just modify their postings. I feel this solution is political (meaning g

minimal but it sounds good. We could have any ad sent to NCMEC sent to bayesian filter and then see if we can get the filter to alert us of ads to t NCMEC.

Then again, it might be simply easier to just add these terms to a special group of fraud alert terms that would be for under aged postings.

2) Incorporate Photo DNA or Bedspread Detector in order to ensure that all Backpage ad photos are screened against NCMEC's child pornograph National Center's missing person's list. Utilize other types of facial recognition software to flag users who are posting multiple girls from the samnumber, IP address, credit card, email address). Who can help execute: Google team to check with Bedspread team about giving Backpage the tec (Megan), Carl to work with Google resource to implement

Carl comment: This idea is the best. We need a way to find images on other cities and remove them, report them, or even comply to a subpoena w might have appeared in other cities. It also has some spam control possibilities.

3) Build a Backpage database that includes the following data for each post (and subsequent repost): Photo, Text of Ad, Credit Card, IP Address/L Address, and Phone Number. Create social profiles on each poster and consider changes in their identifying information to be a flag for suspicious investigating. Who can help execute: Ashton speaking with company that may be able to help build this, Julie and Claire will follow up with Carl

Carl comments: we do this already, so we are good. We could use Rapleaf's API which is free where we send them an email address and they send age range, etc. (I'm just uncomfortable sending email addresses to 3rd parties)

4) Determine whether Backpage can use a phone number anonymizing service and act as the intermediary for all calls, capturing buyer and seller j in the process. Who can help execute: A company like Twillio may be able to provide this support, Julie and Claire will follow up with Carl

CARL COMMENTS: this idea was discussed as a way to get consumers of content to be held accountable. We would be able to track their calls to had this idea for implementation reasons. That said, it could be an upgrade sold to user.

5) Create and implement Backpage anti-trafficking awareness campaign. Ultimately we will try to expand this campaign industry-wide to raise aw reduce the buying and selling of children for sex online. Who can help execute: DNA team, Julie and Claire to follow up with Carl CARL COMMENTS: this is DNA's task

#### COOK COUNTY CHICAGO TASKS

1. Require credit cards to have user's name. (we acknowledged there are many ways around this and may/may not be effective)

CARL COMMENTS: We are unable to get this info from our credit card processor at the time of transaction. We are told we would have to call the stating we are a merchant requesting a "name, address and phone number verification." This is problematic. However, we can not allow users to in

character in the name field. We plan to create an error script to prompt the user for better data to reduce this problem.

ice: nation:

There are no notes attached to this issue.

From: Sent: To: Cc:	Cody Backpage Saturday, January 28, 201 Andrew Backpage Joye	2 6:27 PM
Subject:	Ré: not sure	
ok thanks		
On Sat, Jan 28, 20 edit out tean	012 at 11:23 AM, Andrew Backp	age wrote:
Andrew		
	012 at 11:16 AM, Cody Backpag een cap in case it gets removed b	
On Sat, Jan 28, 20 http://admin.atlan plus-30/11176722		e wrote: ag-sexy-girls-for-private-parties-age-not-over-46-t3n-is-a-
should i just edit o	out the word "tean" or remove the	e ad?

From: Cody Backpage
Sent: Salunday, January 28, 2012 6.27 PM
To: Joye
Subject: Re. not sure

ok thanks

On Sat, Jan 28, 2012 at 11:23 AM, Andrew Backpage edit out tean

Andrew

On Sat, Jan 28, 2012 at 11:16 AM, Cody Backpage vive attached a screen cap in case it gets removed before you see it.

On Sat, Jan 28, 2012 at 11:12 AM, Cody Backpage vive attached a screen cap in case it gets removed before you see it.

On Sat, Jan 28, 2012 at 11:12 AM, Cody Backpage vive attached a screen cap in case it gets removed before you see it.

Solve attached a screen cap in case it gets removed before you see it.

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Solve attached a screen cap in case it gets removed before you see it.

Donavon Backpage
Monday, February 13, 2012 9:06 PM
Andrew
Joye: Devyn
Miguela's audit
Miquela audit.doc

From: Sent: To: Cc: Subject: Attachments:

Here are the audit points for Miquela.

Miquela audit 2-13-12

#### Pros

- Snaps all the links, does not pick and choose.
  Snap links a good amount per snap, 50 ads
  Enlarges borderline images
  Checks user's links past the age verification.
  Good knowledge of banned terms and sexually charged phrases.
  Refers to senior staff on questionable content.

# Cons

- Does not remove violations in age and location e.g. 69.
  Does not report young looking escorts.

My overall feeling is Miquela is a very good moderator. She just needs to pay attention to the age and location. Great Job.

From: Sent: To: Subject:

Joye Backpage Thursday, February 16, 2012 6:12 PM Andrew Backpage Re: ncmecs

l just counted them in abuse, not the way you do with thunderbird but by hand. I counted 249. Does that seem right to you?

On Wed, Feb 15, 2012 at 6:33 PM, Andrew Backpage let's count reports tomorrow to see where we're at.

wrote:

if we don't want to blow past 500 this month, we shouldn't be doing more than 16 a day. we can't ignore the ones that seem like trouble but if we start counting now it might help us on the ones where we're being liberal with moderator reports.

Andrew

Donavon Backpage
Friday, March 09, 2012 4:06 PM
Andrew
Joye; Devyn
marco's audit
Marco

From: Sent: To: Cc: Subject: Attachments:

Here are the audit points for Marco.



# Pros

- Snaps all links, does not choose and pick.
  Snap links a good amount per snap. 50 ads.
  Enlarges borderline images.
  Has good knowledge of pricing, image, and banned term standards.
  Checks user's links past age verification, also has a good understanding when to remove the links.

## Cons

Does not report young looking escorts

My overall feeling is Marco is a very good moderator. Great Job!

 From:
 Andrew Backpage

 Sent:
 Thursday, April 05, 2012 11:12 PM

 To:
 James Backpage

 Cc:
 Joye

 Subject:
 Re: Moderation Reminder / Update

yes.

Andrew

On Thu, Apr 5, 2012 at 2:57 PM, James Backpage wrote: if that ad looks young and is one that we would send to be reported do we copy it for reporting as well as send it you?

On Thu, Apr 5, 2012 at 2:30 PM, Andrew Backpage wrote:

Attached is a list of 120 Adult terms that are banned on the site. These are terms that we consider egregious violations of our Terms of Use. These should not be confused with terms that are merely suggestive or in poor taste.

The attached list is automatically filtered and a user attempting to post an ad with any of these terms receives an error message during the posting process. We don't want these terms on our site.

You'll see examples, in the list, where a term is spelled several ways but we're only scratching the surface on all the possible spelling variations. If you see a misspelling of any of these terms that gets around our filters, delete the ad in its entirety. Don't edit the text or remove any pics.

For term violations not on this list, you can remove the term or phrase and update the ad.

Make a list of the url's of any ads you delete and send them to me at the end of your shift for review. You can skip this step if you're deleting from the queue.

If you have any questions, let me know. Thanks.

Andrew

1

From: Andrew Backpage
Sent: Thursday, April 05, 2012 11:12 PM
To: James Backpage
Cc: Joye Vaught
Subject: Re: Moderation Reminder / Update
yes.

Andrew

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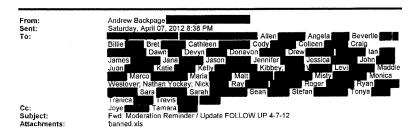
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Andrew

. App.000313

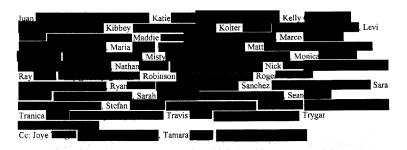


## A few clarifications:

- -- Only worry about "cum" or "come" or any of its variations when it's being used to describe semen or ejaculation. If it's not being used sexually, regardless of how ridiculously it's spelled, it's okay.
- -- Don't delete ads that use "young" or misspellings of "young". You should still include them in your emails to me for review but there are too many legitimate uses of the word to warrant a removal every time.
- Don't delete ads when a banned termed is used to the contrary. Examples: "NO GFE" and "NO Full Service".
- -- Even though Girlfriend Experience is banned, the word "girlfriend" by itself isn't a problem. Examples: "Let me be your girlfriend" and "I'm hotter than your girlfriend."

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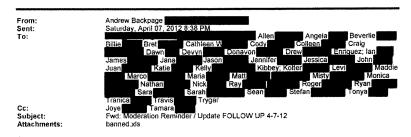
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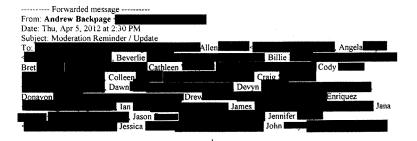
Andrew

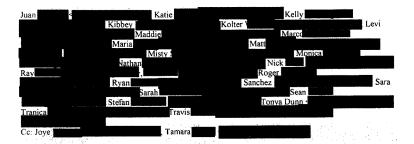


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If you have any questions, let me know. Thanks.

Andrew

From: Sent: To:

Andrew Backpage
Saturday, April 07, 2012 8:19 PM
andrew
whols; James Backpage
Re: reports 10:07 am Subject:

don't worry about expediting the first one. she isn't claiming her own daughter is in the ad.

Andrew

On Sat, Apr 7, 2012 at 10:13 AM, Stefan Backpage wrote: http://admin.toronto.backpage.com/FemaleEscorts/new-new-newsexy-sammy-and-dolly-availablenow-19/9730917

A user has reported this ad with the following additional comment:

"Theses individuals are only 17 n 16 years of age they have been trying to recruite my 15 yr old daughter I do not like this if it continues I will take this to the news..."

http://admin.nova.backpage.com/BodyRubs/afternoon-delighthoney-brown-brazilian-25-25/7178135 A user has reported this ad with no additional comment:

Ve have no additional information to verify this user's claim.

http://admin.victoria.backpage.com/FemaleEscorts/bootylicious-bombshell-youli-be-addicted-trust-me-21/4117131
A user has reported this ad with the following additional comment:
"Hi there,

From:

Joye Backpage Tuesday, April 17, 2012 10:17 PM TaraO andrew

Sent: To: Cc:

Re: Moderation Reminder / Update banned.xls

Subject: Attachments:

Just following up on an email you sent Andrew. (below)

---- Forwarded message ----From: Tara Backpage

Date: Tue, Apr 17, 2012 at 1:40 PM

Subject: Re: banned term removals 041612

To: Andrew Backpage

How often are ads deleted? What is the criteria for deleting an ad? The guidelines for deleting an ad are pasted below along with the list as an attachment.

Is this in reference to young ads as well? If not, those are going to reporting@backpage right? Young ads do not get deleted unless they are clearly a child. You should still send those to reporting@backpage.com

Let me know if you have any more questions, and I'll be glad to help.

Joye Vaught

Attached is a list of 120 Adult terms that are banned on the site. These are terms that we consider egregious violations of our Terms of Use. These should not be confused with terms that are merely suggestive or in poor

The attached list is automatically filtered and a user attempting to post an ad with any of these terms receives an error message during the posting process. We don't want these terms on our site.

You'll see examples, in the list, where a term is spelled several ways but we're only scratching the surface on all the possible spelling variations. If you see a misspelling of any of these terms that gets around our filters, delete the ad in its entirety. Don't edit the text or remove any pics.

For term violations not on this list, you can remove the term or phrase and update the ad.

Make a list of the url's of any ads you delete and send them to me at the end of your shift for review. You can skip this step if you're deleting from the queue.

If you have any questions, let me know. Thanks.

Andrew

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**Document Produced Natively** 

**Document Produced Natively** 

Joye Backpage Monday, April 23, 2012 11:13 PM andrew caught up on filters FilterTerm42312.worked.xls

From: Sent: To: Subject: Attachments:

From:         Joye Backpage           Sent:         Tuesday, April 24, 2012 10:00 PM           To:         marco           Cc:         andrew           Subject:         Fwd: Moderation Reminder / Update FOLLOW UP 4-7-12           Attachments:         banned.xls
Hi Marco,
Just wanted to clarify something- When you find an ad with the word "young" in it and you aren't sure if it should be deleted you can send those to Andrew for review.
If you are finding ads that you think should be reported to NCMEC, based on wording or young looking pictures- those go to
When you send these together (ones for review and ones to be reported) to both Andrew and reporting, we don't know which is which. Let me know if you have any questions, I am including Andrews email below.
Thank you Joye Vaught
From: Andrew Backpage Date: Sat, Apr 7, 2012 at 12:37 PM
Att:
A few clarifications:
Only worry about "cum" or "come" or any of its variations when it's being used to describe semen or ejaculation. If it's not being used sexually, regardless of how ridiculously it's spelled, it's okay.
Don't delete ads that use "young" or misspellings of "young". You should still include them in your emails to me for review but there are too many legitimate uses of the word to warrant a removal every time.
Don't delete ads when a banned termed is used to the contrary. Examples: "NO GFE" and "NO Full Service".
Even though Girlfriend Experience is banned, the word "girlfriend" by itself isn't a problem. Examples: "Let me be your girlfriend" and "I'm hotter than your girlfriend."
Andrew
1 App.000323

TERM	BANNED	ALLOWED IN PHONE AND WEB
Oral	×	
ana!	×	
anal	×	у
anl	×	•
ass up panties down	x	
back door	x	
back-door	x	
backdoor	×	
bare back	x	
bareback	x	
barely legal	×	
barelylegal	x	
bbbj	×	
bbbja	×	
bbbjtc	×	
bbbjtcim	×	
bbbjtcws	×	
bbbjwf	×	
bbjs	×	
beejay	×	
bend over and be my bitch	x	
bf3	x	
bj	x	
bjs	x	
bl0w	x	
blow job	×	
blowjob	x	
boning	x	
boyfriend experience	x	
brown shower	x	
brownshower	x	
bukkake	×	
bust a nut	×	
cardate	×	
cbj	X	
cim	×	
cock	×	У
cum	x	У
daty	×	У
deep throat	X	
deepthroat	×	
devour your manhood	×	
dildo gag	x	
doggie style	x	
double pentration	x	У
ejaculation	x	,
face down ass up	x	
felatio	x	
fellatio	x	
filatio	×	
fisting	x	

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foreign languages	x	
fu11 service	x	
fuck	×	у
full release	x	
full service	x	
fvck	x	
gf3	×	
gfe	x	у
girl friend experience	×	у
girlfriend exp	x	
give it to me rough	x	
golden showers	x	у
goldenshowers	×	у
gr3ak	×	
gr88k	x	
gre#ce	×	
gre3k	x	
gre8k	x	
greece	x	
greeeek	x	
greeek	x	
greek	×	
grk	×	
h0les	x	
hand job	x	
handjob	x	
happy ending	x	
high school	x	
highschool	x	
hj		
human trafficking	x	
kumm	x	
kumm		
lbfm	x	
let me sit on it	x	
lets bone	x	
make love	x	У
missionary	x	
on my knees	x	
oral	×	У
orally	x	у
orgasm	x	У
orli	x	
p.u.s.s.y	×	
pegging	x	У
porn star experience	x	у
pse	x	У
pstar	x	
pu\$\$y	x	
pussy	x	У
put it in my kitty	x	
rape	x	
ride me	x	У
ride your pony	x	
school girl	x	
schoolgirl	x	

soak my kitty	×	
super head	x	
t33n	×	
teen	x	
teenage	×	
tongue massage	x	
touch my kitty	×	
transexual experience	×	y
trip to the islands	×	
uncovered services	×	
xxxstar	×	У
yung	x	ý

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Andrew Backpage
Friday, May 11, 2012 11:01 PM
Carl Ferrer
Re: Filtered term with false positives
filter term - forbidden.xlsx

From: Sent: To: Subject: Attachments:

everything with a "b" in the E column is banned and now contains a forbidden text error

Andrew Padilla Backpage.com Operations Man Phone:

On Fri, May 11, 2012 at 8:20 AM, Carl Ferrer <

This term did not give the user a message. So, cleansing shower resulted in the user getting an error message with no help.

I would like to verify all the ban messages have errors that says, "Sorry this term "xxxxxxx" is a banned term".

Send me the list of terms that we recently modified from strip out to ban.

carl

Begin forwarded message:

From: Dan Backpage <

Date: May 11, 2012 10:04:35 AM CDT

, Carl Ferrer

Subject: Filtered term with false positives

http://admin.www.backpage.com/tools/object-editor?oid=84083439

This one had 160 hits, all from massage parlors in the context of an actual shower. Big Shower, cleansing shower, etc.

I took it off line for now, and having a user try it again. May need to delete it altogether.

From: Sent: To: Subject:

Carl Ferrer Friday, May 11, 2012 4:21 PM Andrew Backpage Fwd: Filtered term with false positives

This term did not give the user a message. So, cleansing shower resulted in the user getting an error message with no help.

I would like to verify all the ban messages have errors that says, "Sorry this term "xxxxxxx" is a banned term".

Send me the list of terms that we recently modified from strip out to ban.

carl

Begin forwarded message:

From: Dan Backpage

Date: May 11, 2012 10:04:35 AM CDT

, Carl Ferrer

To: Andrew Backpage

Subject: Filtered term with false positives

http://admin.www.backpage.com/tools/object-editor?oid=84083439

This one had 160 hits, all from massage parlors in the context of an actual shower. Big Shower, cleansing

I took it off line for now, and having a user try it again. May need to delete it altogether.

From: Sent: To: Subject: Attachments: Andrew Backpage
Friday, May 11, 2012 7:07 PM
James Robinson; Joye
forbidden planet
filter term - forbidden.xisx

Andrew Padilla Backpage.com Operations Manager Phone:

1

1				b	X	"Anal" is a fort
1	anal	Ad		b	X	"Anal" is a fort
1	anl		Ban	b	x	"Anal" is a fort
1	ass up panties		Ban	b	X	"Ass up pantie
1	back door			b	X	"Back door" is
1	Back-door			b	X	"Back door" is
1	backdoor			b	x	"Back door" is
1	Bang me Hard		Ban	b	×	"Bang me har
1	bare back	Ad	Ban	b	x	"Bareback" is
1	bareback		Ban	b	x	"Bareback" is
1	barely legal	Ad	Ban	b	x	"Barely legal"
1	barelylegal	Ad	Ban	b	x	"Barely legal"
1	BBBJA	Ad	Ban	b	x	"BBBJ" is a fo
1	bbbjtc	Ad	Ban	b	х	"BBBJ" is a fo
1	bbbjtcim	Ad	Ban	b	X	"BBBJ" is a fo
1	bbbjtcws	Ad	Ban	b	X	"BBBJ" is a fo
1	bbbjwf	Ad	Ban	b	x	"BBBJ" is a fo
1	bbbj	Ad	Ban	b	x	"BBBJ" is a fo
1	bbjs	Ad	Ban	b	x	"Bbjs" is a fort
1	beejay	Ad	Ban	b	x	"Beejay" is a f
1	bend over and	Ad	Ban	b	x	"Bend over an
1	bf3	Ad	Ban	b	x	"Bf3" is a forbi
1	bj	Ad	Ban	b	x	"BJ" is a forbic
1	bjs	Ad	Ban	b	x	"Bjs" is a forbi
1	blow job	Ad	Ban	b	x	"Blow job" is a
1	blowiob	Ad	Ban	b	x	"Blow job" is a
1	bl0w	Ad	Ban	b	x	"Blow" is a for
1	boink	Ad	Ban	b	x	"Boink" is a fo
1	boinking	Ad	Ban	b	x	"Boinking" is a
1	boning	Ad	Ban	b	x	"Boning" is a f
1	brownshower	Ad	Ban	b	x	"Brown showe
1	bukkake	Ad	Ban	b	x	"Bukkake" is a
1	bust a nut	Ad	Ban	ь	x	"Bust a nut" is
1	bust me wide	Ad	Ban	ь	x	"Bust me wide
1	cardate	Ad	Ban	b	x	"Cardate" is a
1	cbi	Ad	Ban	b	x	"Cbi" is a forbi
1	CIM	Ad	Ban	b	x	"Cim" is a fort
1	cum	Ad	Ban	b	x	"Cum" is a for
1	cunt	Ad	Ban	b	x	"Cunt" is a for
1	daty	Ad	Ban	b	x	"Daty" is a forl
1	deep throat	Ad	Ban	b	x	"Deep thoat" is
1	deepthroat	Ad	Ban	b	x	"Deep thoat" is
1	devour your m	Ad	Ban	b	x	"Devour your i
1	dildo gag	Ad	Ban	b	x	"Dildo gag" is
1	Doggie Style	Ad	Ban	b	x	"Doggie style"
1	double penetr	Ad	Ban	b	x	"Double penet
1	ejaculation	Ad	Ban	b	x	"Ejaculation" is
1	face down ass		Ban	b	x	"Face down a:
1	fellatio	Ad	Ban	ь	X	"fellatio" is a fo
1	Fuck	Ad	Ban	b	x	"Fuck" is a ba
1	GF3	Ad	Ban	b	x	"gf3" is a forbi
		•				-

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		Ad			X	"Gfe" is a ban:
	girl friend exp				x	"girl friend exp
	×	Ad			×	"girlfriend exp"
	3				X	"give it to me i
	golden showe			_	X	"golden shows
1					X	"goldenshowe
1	gr\$\$k				x	"Gr\$\$k" is a fc
	gr33k				x	"Gr33k" is a fc
	gr3ak	Ad	Ban	b	X	"gr3ak" is a fo
1	gr88k			b	x	"gr88k" is a fo
1	gre#ce			b	x	"gre#ce" is a f
	gre3k	Ad	Ban	b	X	"gre3k" is a fo
1	gre8k	Ad	Ban	b	X	"gre8k" is a fo
1	greece	Ad	Ban	b	X	"greece" is a f
1	greeeek	Ad	Ban	b	x	"greeeek" is a
1	Greeek	Ad	Ban	b	X	"greeek" is a f
1	greek	Ad	Ban	b	x	"greek" is a fo
1	grk	Ad	Ban	b	x	"grk" is a forbi
1	h0les	Ad	Ban	b	x	"h0les" is a for
1	hand job	Ad	Ban	b	x	"hand job" is a
1	handjob	Ad	Ban	b	x	"handjob" is a
1	happy ending	Ad	Ban	b	x	"happy ending
1	SLIDE YOU II	Ad	Ban	b	x	"HOT WET SI
1	let me sit on it	Ad	Ban	b	x	"let me sit on i
1	lets bone	Ad	Ban	b	x	"lets bone" is a
1	make love	Ad	Ban	b	x	"make love" is
1	Oral	Ad	Ban	b	x	"oral" is a ban
1	Oral	Ad	Ban	b	x	"Oral" is a fort
1	orally	Ad	Ban	b	x	"orally" is a for
1	orgasm	Ad	Ban	b	x	"Orgasm" is a
1	orli	Ad	Ban	b	x	"orll" is a bann
1	pegging	Ad	Ban	b	x	"pegging" is a
1	porn star expe	Ad	Ban	b	x	"porn star exp
1	pstar	Ad	Ban	b	x	"pstar" is a for
1	p.u.s.s.y	Ad	Ban	b	x	"Pussy" is a fc
1	pu\$\$y	Ad	Ban	b	x	"Pussy" is a fc
1	pussy	Ad	Strip Term Fro	b	x	"pussy" is a fo
1	put it in my kit	Ad	Ban	b	x	"put it in my ki
1	rape	Ad	Ban	b	x	"rape" is a fort
1	ride me	Ad	Ban	b	x	"ride me" is a
1	ride your pony	Ad	Ban	b	x	"ride your pon
1	school girl	Ad	Ban	b	X	"school girl" is
1	schoolgirl	Ad	Ban	b	x	"schoolgirl" is
1	soak my kitty	Ad	Ban	b	X	"soak my kitty"
1	squirt	Ad	Ban	b	X	"Squirt" is a fo
1	stick it in my	Ad	Ban	b	x	"stick it in my
1	suckie	Ad	Ban	b	x	"Suckie" is a f
1	super head	Ad	Ban	b	x	"super head" i
1	tongue massa	Ad	Ban	b	x	"tongue mass
1	touch my kitty		Ban	b	x	"touch my kitty
1	transexual ex		Ban	b	x	"Transexual e
		•				

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1	trip to the islar	Ad	Ban	b	x	"Trip to the isla
1	uncovered se	Ad	Ban	b	X	"Uncovered st
1	xxxstar	Ad	Ban	b	x	"Xxxstar" is a
1	Yung	Ad	Ban	þ	x	"Yung" is a ba
1	fisting	Ad	Ban	р	x	fisting is a fort
1	full release	Ad	Ban	b	x	full release is
1	full service	Ad	Ban	b	x	full service is a
1	fvck	Ad	Ban	b	x	fvck is a forbic
1	gr.gp	Ad	Ban	b	x	Sorry, there's
1	u.bb	Ad	Ban	b	x	Sorry, there's
1	Erotic Full Boo	Ad	Ban	b	x	Sorry, there's
1	erotic massag		Ban	b	x	Sorry, there's
1	sensual mass		Ban	b	x	Sorry, there's
1	thegirlnextdoo	1	Ban	b	x	Sorry, too mar
1	3B-& 1J	Ad	Strip Term Fro	b		The term "bbb
1	b.b.b.i.	Ad	Strip Term Fro	b		The term "bbb
1	(P) U \$ \$ (Y)	Ad	Strip Term Fro	ь		
1	3 doors open	Ad	Strip Term Fro	b	x	
1	3-somes	Ad	Strip Term Fro	b	^	
1	3some	Ad	Strip Term Fro	b	×	
1	3sum	Ad	Strip Term Fro	b	x	
1	a good raping		Ban	b	x	
1	a\$\$	Ad	Strip Term Fro	b	^	
1	a2m	Ad	Strip Term Fro	Ь	x	
1	All 3 doors	Ad	Strip Term Fro	b	x	
1		Ad	Strip Term Fro	b	x	
1	All 3 holes	Ad	Strip Term Fro	b	x	
	all access		Strip Term Fro	b	x	
1	all acess	Ad		-		
1	All Axxess	Ad	Strip Term Fro	Ь	x	
1	all doors open		Strip Term Fro	b b	X	
1	all inclusive	Ad	Strip Term Fro	_	X	
1	all options ava		Strip Term Fro	ь	X	
1	all three doors		Strip Term Fro	b	X	
1	all three holes		Strip Term Fro	ь	X	
1	almost no limi		Strip Term Fro	ь	X	
1	anal	Ad	Strip Term Fro	Ь	X	
1	Anal Peripher		Strip Term Fro	b b	X	
1	AnalPeriphera		Strip Term Fro	-	X	
1	Anything Goe		Strip Term Fro	b	X	
1	atogm	Ad	Ban	þ	X	
1	b shower	Ad	Strip Term Fro	b	x	
1	B.a.C.k.Y.a.R		Strip Term Fro	b		
1	b.all torture	Ad	Strip Term Fro	b	X	
1	b.b.b.j	Ad	Strip Term Fro	b		
1	b@ckdoor	Ad	Strip Term Fro	b	X	
1	back alley	Ad	Strip Term Fro	b	X	
1	backstage	Ad	Strip Term Fro	Ь	X	
1	backstage pa		Strip Term Fro	b	X	
1	BALL BUSTIN		Strip Term Fro	ь	x	
1	ball torture	Ad	Strip Term Fro	Ь	X	
1	bang	Ad	Strip Term Fro	Ь	×	

1	bbfs	Ad	Strip Term Fro	: 1	)	x
1	bbi	Ad	Strip Term Fro			x
1	bfe	Ad	Strip Term Fro			x
1	blo n go	Ad	Strip Term Fro		5	
1	blow	Ad	Strip Term Fro	: 1	5	x
1	blow n go	Ad	Strip Term Fro			x
1	blow pop	Ad	Strip Term Fro			x
1	blowing	Ad	Strip Term Fro			x
1	blowpop	Ad	Strip Term Fro		5	x
1	blows	Ad	Strip Term Fro	: 1	5	x
1	bng	Ad	Strip Term Fro			x
1	bnj	Ad	Strip Term Fro			x
1	BreaK Me In	Ad	Strip Term Fro	: 1	0	x
1	Brwn Showers	Ad	Strip Term Fro			x
1	cum	Ad	Strip Term Fro	: 1	b	
1	c.b.t.	Ad	Strip Term Fro		b	
1	car date	Ad	Strip Term Fro		b	x
1	CBT	Ad	Strip Term Fro	: 1	b	x
1	CBT/NT	Ad	Strip Term Fro		b	x
1	cck hungry	Ad	Strip Term Fro	( )	b	x
1	cds	Ad	Strip Term Fro	( )	b	
1	cfs	Ad	Strip Term Fre	c I	b	
1	cm	Ad	Strip Term Fro	( !	b	
1	cock and ball	Ad	Strip Term Fro	t 1	b	х
1	come get som	Ad	Strip Term Fr	t l	b	x
1	COME OVER		Strip Term Fre	ر ا	b	x
1	come paint m	Ad	Strip Term Fr	( I	b	x
1	Completion	Ad	Strip Term Fr	(	b	x
1	covered conve	Ad	Strip Term Fr	ç l	b	x
1	covered conve		Strip Term Fr	( I	b	x
1	cream all over	Ad	Strip Term Fr	( I	b	x
1	creampie	Ad	Strip Term Fr	c I	b	x
1	cum_kisss_m	Replies, Ad	Flag as Spam	1 1	b	X
1	cum.	Ad	Strip Term Fr	¢ !	b	X
1	CUMe	Ad	Strip Term Fr	۱ ۱	b	X
1	cumm	Ad	Strip Term Fr		b	X
1	d.a.t.y	Ad	Strip Term Fr		b	
1	d.a.t.y.	Ad	Strip Term Fr		b	
1	da.ty	Ad	Strip Term Fr		b	X
1	dato	Ad	Strip Term Fr			X
1	deep kisser	Ad	Strip Term Fr		b	X
1	deep tension	Ad	Strip Term Fr		b	X
1	dildo	Ad	Strip Term Fr		b	X
1	dome	Ad	Strip Term Fr		b	X
1	doubles	Ad	Strip Term Fr		b	X
1	drippy kitty	Ad	Strip Term Fr		b	X
1	enter in back		Strip Term Fr		b	X
1	F/S	Ad	Strip Term Fr		b	
1	facial	Ad	Strip Term Fr		b	×
1	FCK ME	Ad	Strip Term Fr		b	X
1	felatio	Ad	Ban		b	X

1	felching	Ad	Strip Term Fro	b	×
1	filatio	Ad	Ban	b	x
1	fov	Ad	Strip Term Fro	b	x
1	fresh meat	Ad	Strip Term Fro	b	x
1	FS	Ad	Strip Term Fro	b	
1	fu11 serv1ce	Ad	Strip Term Fro	b	x
1	fuk	Ad	Strip Term Fro	b	x
1	ful/serv	Ad	Strip Term Fro	þ	X
1	full course	Ad	Strip Term Fro	b	x
1	full course me	Ad	Strip Term Fro	b	x
1	full menu	Ad	Strip Term Fro	þ	x
1	Full Services	Ad	Strip Term Fro	b	x
1	Full Treatmen	Ad	Strip Term Fro	b	X
1	full-service	Ad	Strip Term Fro	þ	x
1	<b>FULLLSERVI</b>	Ad	Strip Term Fro	b	x
1	Fully Satisfyin	Ad	Strip Term Fro	b	x
1	G & B shower	Ad	Strip Term Fro	b	x
1	g shower	Ad	Strip Term Fro	b	x
1	G-f-e	Ad	Strip Term Fro	þ	
1	G-spot massa	Ad	Strip Term Fro	b	x
1	G.F.3.	Ad	Strip Term Fro	b	
1	G.F.E	Ad	Strip Term Fro	b	
1	G.R.E.8.K	Ad	Strip Term Fro	b	
1	g.showers	Ad	Strip Term Fro	b	x
1	G/F/E	Ad	Strip Term Fro	b	
1	GEEFFEE	Ad	Strip Term Fro	b	x
1	get into the pir	Ad	Strip Term Fro	b	x
1	get your hard	Ad	Strip Term Fro	b	x
1	get your load	Ad	Strip Term Fro	b	x
1	getting down	Ad	Strip Term Fro	b	X
1	GF E	Ad	Strip Term Fro	b	
1	girl friendly	Ad	Strip Term Fro	b	x
1	Girl-friend exp	Ad	Strip Term Fro	b	×
1	girlfriend expe		Strip Term Fro	b	x
1	girlfriend pleas		Strip Term Fro	b	x
1	girlfriend SPE		Strip Term Fro	b	x
1	girlfriendly	Ad	Strip Term Fro	b	X
1	gloryhole	Ad	Strip Term Fro	b	x
1	go deep	Ad	Strip Term Fro	b	x
1	go in hard	Ad	Strip Term Fro	b	x
1	golden showe	Ad	Strip Term Fro	b	×
1	Golden Show	Ad	Strip Term Frc	þ	×
1	goldenshower	Ad	Strip Term Fro	b	x
1	Goldn Shower	Ad	Strip Term Fro	b	x
1	gr-eek	Ad	Strip Term Fro	b	х
1	gs	Ad	Strip Term Fro	b	
1	h-j	Ad	Strip Term Fro	b	
1	hand release	Ad	Strip Term Frt	b	x
1	handrelease	Ad	Strip Term Fro	b	×
1	happy session	Ad	Strip Term Fro	b	x
1	hj	Ad	Strip Term Fro	b	

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1	human traffick	Replies	Ban	b	×
1	I do everything	Ad	Strip Term Frc	Ъ	x
1	l do it all	Ad	Strip Term Fro	b	
1	l don't say no	Ad	Strip Term Fro	b	x
1	I enjoy being o		Strip Term Fro	b	x
1	I need your ha		Strip Term Fro	b	x
1	I never say no		Strip Term Fro	b	х
1	I only want ca	Ad	Ban	b	x
1	I want your cre	Ad	Strip Term Fro	b	x
1	I wasn't done		Strip Term Fro	b	x
1	I will do all tho	Ad	Strip Term Fro	b	x
1	I'll do things si	Ad	Strip Term Fro	b	x
1	innocent	Ad	Strip Term Fro	b	x
1	k9	Ad	Flag as Spam	b	
1	LBFM	Ad	Ban	b	x
1	letmedrainurn	Ad	Strip Term Fro	b	х
1	lips only	Ad	Strip Term Fro	b	x
1	little girl	Ad	Strip Term Fro	b	x
1	tolita	Ad	Strip Term Fro	b	x
1	lolli	Ad	Strip Term Fro	b	x
1	Iollita	Ad	Strip Term Fro	b	х
1	MSOG	Ad	Strip Term Fro	b	x
1	multi pops	Ad	Strip Term Fro	b	x
1	multiple finish		Strip Term Fro	b	×
1	multipops	Ad	Strip Term Fro	b	x
1	n0 hol3s barre		Strip Term Fro	b	×
1	no glove no lo		Strip Term Fro	b	x
1	Nookie	Ad	Strip Term Fro	b	x
1	nqbs	Ad	Strip Term Fro	b	x
1	ngns	Ad	Strip Term Fro	b	x
1	P.S.E	Ad	Strip Term Fro	b	^
1	pregnant	Ad	Strip Term Fro	b	
i	pu\$\$i	Ad	Strip Term Fro	b	
1	rbgfe	Ad	Strip Term Fro	b	х
<u>.</u>	reverse oral	Ad	Strip Term Fro	Ь	X
1	ride this pony	Ad	Strip Term Fro	Ь	X
1	SurveyHe		Ban	Ď	x
1	scat	Ad	Strip Term Fro	b	×
1	sex tours	Ad	Ban	b	x
1	sextours	Ad	Ban	b	x
1	superdome	Ad	Strip Term Fro	b	x
1	threesome	Ad	Strip Term Fro	b	х
1	wbi	Ad	Strip Term Fro	b	×
1	wrapper on ca		Strip Term Fro	b	×
1	I'm a hot Asia		Flag as Spam	n/a	
1	p411	Ad	Strip Term Fro	n/a	
1	SLOWWETR	Ad	Ban	n/a	
1	southernshow		Ban	n/a	
i	spitnotswallov		Strip Term Fro	n/a	
1	splatdogs	Ad	Ban	n/a	
1	stressreliefbyr	ı	Flag as Spam	n/a	
-			-4p		

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1	swollen blood	Replies	Ban	r	n/a		
1	\$nowbunny	Ad	Strip Term Fr	(	r	x	
1	\$quirt	Ad	Strip Term Fr	(	r	x	
1	1/2 hour	Ad	Strip Term Fr	(	r	x	
1	1/2 hr	Ad	Strip Term Fr	c	r		
1	1/2 hrs	Ad	Strip Term Fr	(	r		
1	15 min	Ad	Strip Term Fr		r	x	
1	15 mins	Ad	Strip Term Fr		r	x	
1	15 minute	Ad	Strip Term Fr		r	x	
1	15 minutes	Ad	Strip Term Fr		r	x	
1	15/mins	Ad	Strip Term Fr		r	x	
1	15min	Ad	Strip Term Fr		r	x	
1	15mins	Ad	Strip Term Fr		r	x	
1	15minute	Ad	Strip Term Fr		r	X	
1	15minutes	Ad	Strip Term Fr		r	x	
1	30 min	Ad	Strip Term Fr		r	x	
1	30 mins	Ad	Strip Term Fr		· f	x	
1	30 minute	Ad	Strip Term Fr		r	×	
1	30 minutes	Ad	Strip Term Fr		r	x	
1	30/mins	Ad	Strip Term Fr		r	×	
1		Ad			r		
	40min		Strip Term Fr			x	
1	45 min	Ad	Strip Term Fr		r	x	
1	45 mins	Ad	Strip Term Fr		r	X	
1	a-level	Ad	Strip Term Fr		r	x	
1	always leave I		Strip Term Fr		r	x	
1	bpgfe	Ad	Strip Term Fr		r	x	
1	cat bath	Ad	Strip Term Fr		r	x	
1	clean your pip		Strip Term Fr		r	X	
1	covered	Ad	Strip Term Fr		r		
1	creamy	Ad	Strip Term Fr		Г	X	
1	h alfhr	Ad	Strip Term Fr		r	X	
1	h/hr	Ad	Strip Term Fr		r		
1	half	Ad	Strip Term Fr		r		
1	half hour	Ad	Strip Term Fr		£.	X	
1	Half/hr	Ad	Strip Term Fr		r		
1	hh	Ad	Strip Term Fr		r		
1	hhr	Ad	Strip Term Fr		r	×	
1	hlf/hr	Ad	Strip Term Fi		r	x	
1	I just love to e		Strip Term Fr		r	X	
1	Q.Q.	Ad	Strip Term Fr		Г		
1	welcum	Ad	Strip Term Fr	Υ .	r	X	
1	wink	Ad	Strip Term Fr	Υ	r	x	
1	kumm	Ad	Ban		s	X	"kumm" is a fo
1	teenage	Ad	Strip Term Fr	7	S	X	"teenage" is a
1	t33n	Ad	Strip Term Fi	7	S	X	Sorry, "teen" is
1	teen	Ad	Strip Term Fi	7	s	x	Sorry, "teen" is
1	teens	Ad	Strip Term Fr	τ	s	x	Sorry, "teens"
1	TheEroticReg	Ad	Strip Term Fi	τ .	s	x	Sorry, there's
1	Full Body Mas	Replies, Ad	Ban		s	x	Sorry, there's
1	{x}{x}{x}	Ad	Strip Term Fi	τ .	s	x	
1	\$\$\$j	Ad	Strip Term Fi	τ .	s	x	
		-					

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1	\$\$j	Ad	Strip Term Fro	S	×
1	\$j	Ad	Strip Term Fro	s	x
1	\$trap on	Ad	Strip Term Fro	s	×
1	amber alert	Ad	Strip Term Fro	s	x
1	anything goes	Ad	Strip Term Fro	S	×
1	ass	Ad	Strip Term Fro	S	×
1	bang for your	Ad	Strip Term Fro	s	x
1	bare	Ad	Strip Term Frt	S	×
1	Becky	Ad	Strip Term Fro	s	×
1	candy stick	Ad	Strip Term Fro	s	x
1	cant eat just o	Ad	Strip Term Fro	s	x
1	catheter	Ad	Strip Term Fro	s	x
1	cheerleader	Ad	Strip Term Fro	s	×
1	daddy	Ad	Strip Term Fro	s	×
1	daddy's	Ad	Strip Term Fro	s	x
1	Deep convers	Ad	Strip Term Fro	s	x
1	dfk	Ad	Strip Term Fro	s	x
1	drippin	Ad	Strip Term Fro	s	x
1	dripping	Ad	Strip Term Fro	s	×
1	dryhump	Ad	Strip Term Fro	s	x
1	enema	Ad	Strip Term Fro	s	×
1	enemas	Ad	Strip Term Fro	s	×
1	erotic adult va	Ad	Strip Term Fro	s	×
1	erotic rendezv	Ad	Strip Term Fro	s	×
1	explode	Ad	Strip Term Fro	s	×
1	express sessi	Ad	Strip Term Fro	s	x
1	face sitting	Ad	Strip Term Fro	s	x
1	Facesitting	Ad	Strip Term Fro	s	x
1	fbsm	Ad	Strip Term Fro	s	x
1	fob	Ad	Strip Term Fro	s	x
1	FOTC	Ad	Strip Term Fro	s	×
1	fresh	Ad	Strip Term Fro	s	×
1	Full Body Sen	Ad	Strip Term Fro	s	×
1	full weight fac	Ad	Strip Term Fro	s	×
1	get me juicy	Ad	Strip Term Fro	s	x
1	get your ego s	Ad	Strip Term Fro	s	×
1	Got Milk	Ad	Strip Term Fro	s	x
1	great kisser	Ad	Strip Term Fro	s	x
1	h@@d	Ad	Strip Term Fro	s	x
1	h0rny	Ad	Strip Term Fro	s	x
1	half and half	Ad	Strip Term Fro	s	x
1	hands only	Ad	Strip Term Fro	s	x
1	have~~~it~~~	Ad	Strip Term Fro	s	x
1	head	Ad	Strip Term Fro	s	x
1	head doctor	Ad	Strip Term Fro	S	×
1	head nurse	Ad	Strip Term Fro	S	x
1	herpes	Ad	Strip Term Fro	s	х
1	hole	Ad	Strip Term Fro	s	x
1	holes	Ad	Strip Term Fro	s	х
1	horney	Ad	Strip Term Frc	5	х
1	horny	Ad	Strip Term Fro	s	х

BP-PSI-047176- A8 Document Native File Produced to PSI

1	hot n ready	Ad	Strip Term Fro	s	×
1	hotgirlzxxx	Ad	Strip Term Fro	s	x
1	hummers	Ad	Strip Term Fro	s	×
1	hung and read	Ad	Strip Term Fro	S	X
1	hung men on!		Strip Term Fro	s	x
1	I always say y		Strip Term Fro	s	x
1	I am bow legg		Strip Term Fro	s	x
1	I do what she		Strip Term Fro	s	×
1	I don't meet a	Ad	Strip Term Fro	s	x
1	I have LOTS		Strip Term Fro	s	×
1	I love to make		Strip Term Fro	s	x
1	I'll do what she		Strip Term Fro	s	×
1	I'll get it juicy	Ad	Strip Term Fro	s	×
1	I'm a bottom	Ad	Strip Term Fro	s	x
1	I'm a top	Ad	Strip Term Fro	s	x
1	I'm a top you'r		Strip Term Fro	s	x
1	k!tty	Ad	Strip Term Fro	s	×
1	kitti	Ad	Strip Term Fro	s	x
1	kitty	Ad	Strip Term Fro	5	×
1	kum	Ad	Strip Term Fro	s	×
1	kumed	Ad	Strip Term Fro	5	x
1	lactate	Ad	Strip Term Fro	s	×
1	lactating	Ad	Strip Term Fro	s	x
1		Ad	Strip Term Fro	s	×
1	lady pipe	Ad	Strip Term Fro		×
1	lingam	Ad	Strip Term Fro		x
	lip service	Ad	Strip Term Fro		X
1	Love Stick		Strip Term Fro		X
1	make me mo				
1	make you mo		Strip Term Fro		X
1	Meat Stick	Ad	Strip Term Fro		x
1	Melking	Ad	Strip Term Fro		×
1	melt in mouth		Strip Term Fro		x
1	melt in your m		Strip Term Fro		×
1	Milking	Ad	Strip Term Fro		х
1	milk	Ad	Strip Term Fro		х
1	milking	Ad	Strip Term Fro		×
1	milky	Ad	Strip Term Fro		x
1	mind blowing	Ad	Strip Term Fro		х
1	moist	Ad	Strip Term Fro		x
1	multiples	Ad	Strip Term Fro		х
1	my lips and fil		Strip Term Fro		x
1	nasty sanche:		Strip Term Fro		х
1	natural conve		Strip Term Fro		х
1	natural convo		Strip Term Fro		X
1	naughty	Ad	Strip Term Fro		X
1	naughtyreviev		Strip Term Fro		×
1	nigger	Ad	Strip Term Fro		х
1	nimf	Ad	Strip Term Fro		x
1	nimfo	Ad	Strip Term Fro		x
1	No limitations		Strip Term Fro		x
1	no limits	]Ad	Strip Term Fro	5	x

1		Ad	Strip Term Fro	s	×
1	nutcracking	Ad	Strip Term Fro	5	×
1	Nymph	Ad	Strip Term Fro	S	×
1	Nymph0	Ad	Strip Term Fro	S	x
1	Nymphette	Ad	Strip Term Fro	s	×
1	nympho	Ad	Strip Term Fro	S	x
1	on my lips	Ad	Strip Term Fro	s	×
1	on TER!	Ad	Strip Term Fro	s	x
1	onload	Ad	Strip Term Fro	s	x
1		Ad	Strip Term Fro	S	x
1	ORAL EXPER	Ad	Strip Term Frc	S	x
1	Oral Fixation	Ad	Strip Term Fro	s	x
1	owo	Ad	Strip Term Fro	s	×
1	P-ON PLAY	Ad	Strip Term Fro	s	x
1	p0rn	Ad	Strip Term Frc	s	x
1	panties are of	Ad	Strip Term Fro	s	×
1	penetrating	Ad	Strip Term Fro	s	x
1	porn	Ad	Strip Term Fro	s	×
1	pounding	Ad	Strip Term Fro	s	x
1	put a sponge i	Ad	Strip Term Fro	s	x
1	qfe	Ad	Strip Term Fro	s	x
1	qk	Ad	Strip Term Fro	s	×
1	qky	Ad	Strip Term Fro	s	×
1	qq	Ad	Strip Term Fro	s	x
1	qs	Ad	Strip Term Fro	s	×
1	quickee	Ad	Strip Term Fro	s	×
1	quickie	Ad	Strip Term Fro	s	×
1	quicktime	Ad	Strip Term Fro	5	x
1	quicky	Ad	Strip Term Fro	s	×
1	quikee	Ad	Strip Term Fro	s	x
1	qv	Ad	Strip Term Fro	s	x
1	Ready 2 get w		Strip Term Fro	s	×
1	ready to bust	Ad	Strip Term Fro	s	×
1	release	Ad	Strip Term Fro	s	×
1	release tensio		Strip Term Fro	s	×
1	release your to		Strip Term Fro	s	×
1	rider	Ad	Strip Term Fro	s	×
1	riding wood	Ad	Strip Term Fro	s	×
1	Rim ShoT	Ad	Strip Term Fro	s	×
1	rimming	Ad	Strip Term Fro	s	×
1	roman showe		Strip Term Fro	s	×
1	RS2K	Ad	Strip Term Fro	s	x
1	russian massa		Strip Term Fro	s	×
1	spinner	Ad	Strip Term Fro	s	×
1	S.L.U.T.T.Y	Ad	Strip Term Fro	s	×
1	sacred spot	Ad	Strip Term Fro	s	×
1	satisfy you wit	_	Strip Term Fro	s	×
1	satisfy your ne		Strip Term Fro	s	×
1	scrotal infusio		Strip Term Fro	s	×
1	scrotal infusio		Strip Term Fro	s	x
i	sensual satisf		Strip Term Fro	s	x
		ı·		-	,

1	sex	Ad	Strip Term Fro	s	x
1	sexygfes	Ad	Strip Term Fro	s	X
1		Ad	Strip Term Fro	s	X
1	shiftmaster	Ad	Strip Term Fro	5	X
1	shoot all your	Ad	Strip Term Fro	s	x
1	short session	Ad	Strip Term Fro	s	X
1	shower shows	Ad	Strip Term Fro	s	X
1	skwirt	Ad	Strip Term Fro	s	x
1	sighcswap	Ad	Strip Term Fro	s	x
1	slip n slide	Ad	Strip Term Fro	s	×
1	slow strokes	Ad	Strip Term Fro	s	×
1	slurp	Ad	Strip Term Fro	s	X
1	slurp slurp	Ad	Strip Term Fro	s	х
1	slurpy	Ad	Strip Term Fro	s	x
1	slut! III have u	Ad	Strip Term Fro	s	x
1	snowball	Ad	Strip Term Fro	s	X
1	soakd	Ad	Strip Term Fro	s	х
1	soaked	Ad	Strip Term Fro	s	x
1	soaking	Ad	Strip Term Fro	s	x
1	sot	Ad	Strip Term Fro	s	x
1	spiner	Ad	Strip Term Fro	s	x
1	spinner	Ad	Strip Term Fro	s	x
1	splash on buz	Ad	Strip Term Fro	s	x
1	squ!rt	Ad	Strip Term Fro	s	х
1	squirter	Ad	Strip Term Fro	s	x
1	squirting	Ad	Strip Term Fro	s	х
1	Squirts	Ad	Strip Term Fro	s	x
1	squrrrt	Ad	Strip Term Fro	s	×
1	squrt	Ad	Strip Term Fro	s	x
1	str^p on pl^y	Ad	Strip Term Fro	s	x
1	strap action	Ad	Strip Term Fro	s	x
1	strap on	Ad	Strip Term Fro	s	×
1	strap on play	Ad	Strip Term Fro	s	x
1	Strap-on	Ad	Strip Term Fro	s	×
1	Strap-on Train	Ad	Strip Term Fro	s	x
1	Strapon	Ad	Strip Term Fro	s	x
1	stroke you	Ad	Strip Term Fro	s	x
1	stuff me like a	Ad	Strip Term Fro	s	×
1	Suck	Ad	Strip Term Fro	s	x
1	suckable	Ad	Strip Term Fro	s	x
1	suction	Ad	Strip Term Fro	s	×
1	super soaker	Ad	Strip Term Fro	s	x
1	swallow	Ad	Strip Term Fro	s	×
1	swallows	Ad	Strip Term Fro	s	x
1	teen	Ad	Strip Term Fro	s	X
1	T-E-R	Ad	Strip Term Fro	s	х
1	T.E.R	Ad	Strip Term Fro	s	х
1	T.E.R.	Ad	Strip Term Fro	s	x
1	take a l-o-a-d	Ad	Strip Term Fro	s	×
1	take a load of	Ad	Strip Term Fro	s	х
1	take it all	Ad	Strip Term Fro	s	x
		-			

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1	take your load		Strip Term Fro	s	x
1	TER	Ad	Strip Term Fro	s	x
	the erotic revi		Strip Term Fro	\$	×
t l	TheEroticRev		Strip Term Fro	s	×
1		Ad	Strip Term Fro	s	×
1	tight	Ad	Strip Term Fro	s	×
1	tite	Ad	Strip Term Fro	s	×
1	tnt explosive	Ad	Strip Term Fro	s	×
1	toftt	Ad	Strip Term Fro	s	x
1	Top of your to		Strip Term Fro	s	X
1	top/bottom	Ad	Strip Term Fro	s	×
1	touch and exp		Strip Term Fro	s	×
1	toys and jerks		Strip Term Fro	s	×
1	triple x	Ad	Strip Term Fro	s	×
1	tuma	Ad	Strip Term Fro	s	×
1	un covered	Ad	Strip Term Fro	s	x
1	uncovered	Ad	Strip Term Fro	S	x
1	until you're rea		Strip Term Fro	s	×
1	untranslated f		Strip Term Fro	s	×
1	vv3t	Ad	Strip Term Fro	s	×
1	W 3 t	Ad	Strip Term Fro	s	×
1	w3+t	Ad	Strip Term Fro	s	×
1	w3t	Ad	Strip Term Fro	s	×
1	w3t!	Ad	Strip Term Fro	s	X
1	w3tt	Ad	Strip Term Fro	s	×
1	water sports	Ad	Strip Term Fro	5	x
1	watersports	Ad	Strip Term Fro	s	x
1	wet	Ad	Strip Term Fro	s	×
1	wett	Ad	Strip Term Fro	S	×
1	wetter	Ad	Strip Term Fro	s	x
1	what she won	Ad	Strip Term Fro	s	x
1	willing to pleas		Strip Term Fro	s	x
1	with a very cu		Strip Term Fro	\$	×
1	with all the be	Ad	Strip Term Frc	S	x
1	with benefits	Ad	Strip Term Fro	5	x
1	x plode	Ad	Strip Term Fro	S	x
1	XXX	Ad	Strip Term Fro	s	×
1	x x x star serv	Ad	Strip Term Fro	s	x
1	x/x/x/	Ad	Strip Term Fro	s	x
1	XXX	Ad	Strip Term Fro	s	×
1	xxxplosive	Ad	Strip Term Fro	S	×
1	You P@Y 2 P		Strip Term Fro	s	×
1	You PAY 2 PL		Strip Term Fro	s	×
1	young	Ad	Strip Term Fro	s	X
1	youthful	Ad	Strip Term Fro	s	X

BP-PSI-047176- A12 Document Native File Produced to PSI

2010-12-10	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch		FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-08-25	2012-01-11	dispatch	adult	Live
2010-08-25	2012-01-11	dispatch	adult	Live
2010-04-29	2012-01-11	dispatch	adult	Live
2010-12-07	2012-01-11	dispatch	adult	Live
2010-08-31	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-05-19	2012-01-11	dispatch	adult	Live
2011-03-30	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2011-09-01	2012-01-11	dispatch	adult	Live
2009-12-15	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-09-02	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	dadic	FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2011-09-01	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	aduit	Live
2009-07-28	2012-01-11	dispatch	adult	FemaleEscort Live
2010-10-16	2012-01-11	dispatch	adult	Live
2010-10-16	2012-01-11	dispatch	adult	Live
	2012-01-11	dispatch	adult	Live
2009-07-28 2010-09-01	2012-01-11		aduit	FemaleEscort Live
2010-09-01	2012-01-11	dispatch		FemaleEscort Live
2010-08-02	2012-01-11	dispatch	adult	Live
		dispatch	adult	Live
2009-07-28 2010-09-09	2012-01-11 2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	adult	Live
		dispatch	adult	Live
2010-11-19	2012-01-11	dispatch		Live
2010-08-02	2012-01-11	dispatch	adult	FemaleEscort Live
2010-10-07	2012-01-11	dispatch		
2011-04-21	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	. عان بيس	FemaleEscort Live
2009-07-28	2012-01-11	dispatch	adult, a	automotive, buyselltra: Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live

2010-10-18	2012-01-11	dispatch		FemaleEscort Live
2010-10-18	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-06	2012-01-11	dispatch		FemaleEscort Live
2010-11-06	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-06-10	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-02	2012-01-11	dispatch	adult	Live
2011-09-02	2012-01-11	dispatch	adult	Live
2009-09-14	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	aduit	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-09-03	2012-01-11	dispatch	adult	Live
2011-02-23	2012-01-11	dispatch	adult	Live
2011-02-23	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-10-05	2012-01-11	dispatch		FemaleEscort Live
2010-10-05	2012-02-29	dm12		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch		FemaleEscort Live
2010-10-18	2012-01-11	dispatch		FemaleEscort Live
2011-01-05	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch	- 4. 46	FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult adult	Live Live
2010-10-01 2010-12-13	2012-01-11 2012-01-11	dispatch	adult	FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	FemaleEscon Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-01-23	2012-01-11	dispatch dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	addit	FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	auun	FemaleEscort Live
2010-12-13	2012-01-11	usspaten		remale ESCOR LIVE

2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch		FemaleEscort Live
2010-11-15	2012-01-11	dispatch		automotive, buyselltracLive
2010-09-09	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-01-17	2012-01-11	dispatch		employment, musician Live
2011-01-04	2012-01-11	dispatch	adult,	employment, personal Live
2011-10-21	2012-01-11	dispatch		BizOpps, Busi Live
2011-10-21	2012-01-11	dispatch		BizOpps, Busi Live
2011-10-21	2012-01-11	dispatch		BizOpps, Busi Live
2009-09-30	2012-01-11	dispatch		automotive, buyselltracLive
2010-05-07	2012-01-11	dispatch	adult	Live
2010-05-04	2012-01-11	dispatch		automotive, buyselltracLive
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live Live
	2012-01-11	dispatch	adult	
2009-07-28 2010-12-13	2012-01-11 2012-01-11	dispatch dispatch	adult,	automotive, buyselltra: Live Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	aduit	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	aduit	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-09	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
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2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-31	2012-01-11	dispatch	adult	Live
2011-04-21	2012-01-11	dispatch	adult	Live
2011-04-21	2012-01-11	dispatch	adult	Live
2011-04-12	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch		FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-09-15	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-05-04	2012-01-11	dispatch	adult,	automotive, buyselltracLive
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2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-16	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-10-16	2012-01-11	dispatch		BodyRubs, Dc Live

2010-11-04	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	adult	Live
2010-10-15	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-10-16	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Líve
2010-10-15	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2011-01-31	2012-01-11	dispatch	adult, persona	
2010-11-22	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-14	2012-01-11	dispatch	adult, persona	
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2010-11-15	2012-01-11	dispatch	adult	Live
2010-11-16	2012-01-11	dispatch	adult	Live
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2010-11-15	2012-01-11	dispatch	adult, persona	
2009-07-28	2012-01-11	dispatch		tive, buyselttracLive
2010-09-01	2012-01-11	dispatch	adult	Live Live
2010-09-03 2010-09-01	2012-01-11 2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch	adult adult	Live
2010-09-03	2012-01-11	dispatch dispatch	adult	Live
2010-09-03	2012-01-11	dispatch	adult	Live
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2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch		tive, buyselltrar Live
		Siopaton	addis, dasonid	ore, sejection at the

2010-11-04	2012-01-11	dispatch	adult	Live
2010-10-18	2012-01-11	dispatch		automotive, buyselitra: Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
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2010-12-10	2012-01-11	dispatch	adult	Live
2010-09-02	2012-01-11	dispatch	adult	Live
2010-02-09	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Líve
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2010-12-13	2012-01-11	dispatch	adult	Live
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2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live Live
2010-12-13	2012-01-11	dispatch	adult	
2010-12-13	2012-01-11 2012-01-11	dispatch	adult adult	Live Live
2010-12-13	2012-01-11	dispatch dispatch	adult	Live
2010-11-00	2012-01-11	dispatch	adult	Live
2010-11-16	2012-01-11	dispatch	adult	Live
2010-11-00	2012-01-11	dispatch	adult	Live
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2010-08-04	2012-01-11	dispatch	adult	Live
2011-02-23	2012-01-11	dispatch	adult	Live
2010-11-06	2012-01-11	dispatch	adult	Live
2010-11-06	2012-01-11	dispatch	adult	Live
2010-11-00	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	aspaten	auult	Live

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2011-07-14	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2011-01-23	2012-01-11	dispatch	adult Live
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2010-11-04	2012-01-11	dispatch	FemaleEscort Live
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2010-12-13	2012-01-11	dispatch	adult Live
2011-01-20	2012-01-11	dispatch	adult Live
2010-11-17	2012-01-11	dispatch	adult Live adult Live
2010-09-09	2012-01-11	dispatch	
2010-11-17	2012-01-11	dispatch	
2009-07-28	2012-01-11	dispatch	
2010-09-10	2012-01-11	dispatch	
2010-12-13	2012-01-11 2012-01-11	dispatch dispatch	adult Live adult Live
2010-09-10 2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-11-03	2012-01-11	dispatch	adult Live
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2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltracLive
2010-12-13	2012-01-11	dispatch	adult Live
2012-03-29	2012-03-29	andrew	adult, automotive, buyselltracLive
2012-03-29	2012-03-29	andrew	adult, automotive, buyselitra Live
2010-12-13	2012-01-11	dispatch	adult Live
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2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltracLive
2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltracLive
2010-12-09	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltrar Live

2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltra	
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
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2010-11-04	2012-01-11	dispatch	adult	Live
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2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult, personals, services	Live
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2009-07-28	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-04-26	2012-01-11	dispatch	adult, automotive, buyselltra	
2010-04-26	2012-01-11		BizOpps, Bus	
2010-12-02	2012-01-11	dispatch	adult bizOpps, bus	Live
		dispatch		
2010-12-10	2012-01-11	dispatch	adult	Live

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2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2011-06-07	2012-01-11	dispatch		AdultJobs, Bo Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-03-08	andrew	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-19	2012-01-11	dispatch	adult	Live
2011-02-04	2012-01-11	dispatch	adult	Live
2011-01-20	2012-01-11	dispatch	adult	Live
2011-01-23	2012-01-11	dispatch	adult	Live
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2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2012-03-29	2012-03-29	andrew		automotive, buyselltra: Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
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2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-16	2012-01-11	dispatch	adult	Live
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2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-10-15	2012-01-11	dispatch	adult	Live

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2010-12-01	2012-01-11	dispatch	adult,	automotive,	buyselltra: Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2011-05-23	2012-01-11	dispatch			buyselltra: Live
2011-05-25	2012-01-11	dispatch		automotive,	buyselltra: Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	aduit		Live
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2010-09-01	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-01	2012-01-11	dispatch	aduit		Live
2009-07-28	2012-01-11	dispatch		personals	Live
2010-12-13	2012-01-11	dispatch	adult	F	Live
2010-09-09	2012-01-11	dispatch	- 41 - 14	rei	maleEscort Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Live
2010-12-13	2012-01-11	dispatch	adult		Liv
2011-04-26	2012-01-11	dispatch	adult		Live
2010-12-13 2010-12-13	2012-01-11	dispatch	adult adult		Liv Liv
2010-12-13	2012-01-11 2012-01-11	dispatch	adult		Liv
2010-12-13	2012-01-11	dispatch dispatch	adult		Liv
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2010-11-04	2012-01-11	dispatch	adult		Liv
2010-12-13	2012-01-11	dispatch	adult		Liv
2010-12-13	2012-01-11	dispatch	adult		Liv
2010-12-08	2012-01-11	dispatch		Fe	maleEscort Live
2010-09-23	2012-01-11	dispatch	adult.	automotive	buyselltra: Liv
2010-09-20	2012-01-11	dispatch			buyselltra: Liv
2010-12-13	2012-01-11	dispatch	adult		Liv
2010-12-13	2012-01-11	dispatch	adult		Liv
2010-12-13	2012-01-11	dispatch	adult		Liv
2010-12-13	2012-01-11	dispatch	adult		Liv
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2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	aduit	Live
2010-11-08	2012-01-11	dispatch	adult	Live
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2010-12-13	2012-01-11	dispatch	adult	Live:
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2009-07-28	2012-01-11	dispatch	adult	Live
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2009-07-28	2012-01-11	dispatch		FemaleEscort Live
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2011-05-05	2012-01-11	dispatch		services Live
2010-12-13	2012-01-11 2012-01-11	dispatch	adult	Live
		dispatch	adult	Live
2011-06-15	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-05-13	2012-01-11	dispatch	-d. #	AdultJobs, Bo Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live

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2010-12-13	2012-01-11	dispatch	AdultJobs, E	
2010-10-28	2012-01-11	dispatch	adult, automotive, buyselltr	
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult, realestate, rentals, s	
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-15	2012-01-11	dispatch	adult, personals, services	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-02-17	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-11-19	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11 2012-01-11	dispatch	adult	Live Live
2010-11-18 2009-07-28	2012-01-11	dispatch	adult, personals, services adult	Live
2010-12-13	2012-01-11	dispatch dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-12-05	2012-01-11	dispatch	adult, automotive, buysellt	
2011-02-18	2012-01-11	dispatch	adult, personals	Live
2011-02-18	2012-01-11	dispatch	adult, personals	Live
2011-02-18	2012-01-11	dispatch	adult, personals	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
FO 10-12-13	TO 12-01-11	giopatoli	acuit	L C

2010-12-13	2012-01-11	dispatch	adult Live
2011-01-07	2012-01-11	dispatch	adult, personals Live
2011-01-07	2012-01-11	dispatch	adult Live
2011-01-18	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-10-15	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-11-04	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2011-05-23	2012-01-11	dispatch	AdultJobs, Bo Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-11-04	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-11-04	2012-01-11	dispatch	FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-09-30	2012-01-11	dispatch	adult Live
2010-10-14	2012-01-11	dispatch	adult Live
2010-09-30	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-11-17	2012-01-11	dispatch	BodyRubs, Dr Live
2010-12-13	2012-01-11	dispatch	adult Live
2011-05-20	2012-01-11	dispatch	adult, automotive, buyselltracLive
2011-05-13	2012-01-11	dispatch	AdultJobs, Bo Live
2010-09-30	2012-01-11	dispatch	adult Live
2011-01-23	2012-01-11	dispatch	adult Live

From: Sent: To: Subject:	Thursday, May 24, 2012 12:45 AM [Backpage.com 0014477]: additional action to filter term class			
A NOTE has been added to				
http://tasks.newtimes.com				
Reported By: Assigned To:	padillaa DesertNet			
Project: Issue ID: Category: Reproducibility: Severity: Priority: Status: Task Type: Task Activity: Task Scope: Source: EXp. Start Date: Exp. Comp. Date: fiscal Quarter:	Backpage.com 14477 backpage.com always minor urgent feedback support Open Small			
Summary: Description: Is it possible to create	additional action to filter term class an additional action on the filter term object			
	ge.com/tools/object-editor?oid=81284231)? erm From Ad", we would add "Term Alert" (see attached mockup).			
Selecting "Term Alert" for a filter term would cause an ad with that term to have a score of 66 added to the violation count of the ad. This would also require a new Violation Flag in the ad object called "Term Alert".  The goal here is to alert moderators in the Violation Queue when terms suggestive of child exploitation are being used, without tipping off a poster like a Ban does or having the term / entire ad deleted by Flag As Spam or Strip Term From Ad.				
padillua - 11-29-11 16:57				
Adding a note to hopefully get the ball rolling on this for 2012.				

DesertNet - 11-29-11 17:05

Thanks Andrew. Unfortunately the localization / internationization work has been wide reaching and with that has tied up a number of things (it changed every config, every database schema, every code template, pretty hefty).

Thankfully we're in the final 5% of the localization work so early 2012 is looking quite good for this and a number of other tasks.

ferrerc - 02-22-12 17:40

_____

## Andrew.

I had a conversation with the FBI. Itis always good to keep DOJ employees happy. They asked we also do this:

- The FBI would give us phone numbers of known suspects involved in juvenile prostitution
- that we could enter as alerts.

   We could expect a couple phone numbers by email per week from the Seattle FBI.
- $_{\rm I}$  If a phone number is triggered, a NCMEC report goes out stating "A phone number given to us by law enforcement triggered this cyber tip alert."

This might be more useful than just looking at the pic and saying the model looks too young. I think the idea has merit in areas of the country like Seattle where we need a deeper connection with law enforcement.

With this development, we could add phone number strings as the alert. Then manually send the NCMEC report. It might be nice to see the term that triggered the alert show up in the violation queue or admin data box.

-carl

_____

ferrerc - 05-23-12 11:10

This task is now a priority:

- Create an additional action on the filter term object
   To the right of "Strip Term From Ad", we would add "Term Alert" (see attached mockup).
- 2. Selecting "Term Alert" for a filter term would cause an ad with that term to have a score of 66 added to the violation count of the ad.
- This would also require a new Violation Flag in the ad object called "Term Alert".
- 3. The goal here is to better alert moderators in the Violation Queue when terms suggestive of child exploitation / illegal activity are being used, without tipping off a poster like a Ban does or having the term / entire ad deleted by Flag As Spam or Strip Term From Ad.
- 4. If possible, we would like the term to also appear highlighted in the moderation queue, perhaps in a yellow highlight for the moderator to be able to see the context of how the term is used in the post.

DesertNet - 05-23-12 16:16
Some replies
<ul> <li>1. Create an additional action on the filter term object</li> <li>To the right of "Strip Term From Ad", we would add "Term Alert" (see attached mockup).</li> </ul>
Sounds good. This value is now in place. It isn't functional yet, but we wanted to get it in there so you can begin adding values. On that note, can you add a few values as it would be ideal to have some test values while we develop this.
> 2. Selecting "Term Alert" for a filter term would cause an ad with > that
term to have a score of 66 added to the violation count of the ad. - This would also require a new Violation Flag in the ad object called "Term Alert".
Sounds good. We'll set this up.
> 3. The goal here is to better alert moderators in the Violation Queue when terms suggestive of child exploitation / illegal activity are being used, without tipping off a poster like a Ban does or having the term / entire ad deleted by Flag As Spam or Strip Term From Ad.
Sounds really good.
> 4. If possible, we would like the term to also appear highlighted in > the
moderation queue, perhaps in a yellow highlight for the moderator to be able to see the context of how the term is used in the post.
Yes, we can do this. To kick things off, can you add a few Term Alerts for us to have? We will then make the necessary schema changes and development to bring this to life.
Thanks!
padillaa - 05-23-12 16:24
I set up Term Alert filters for:
"famfun" - all categories "niece" - adult, personals, services "nephew" - adult, personals, services
Let me know if I should set up more tests.
DesertNet - 05-23-12 16:44
Thanks.

Can you set up one more term, something innocent that can be used as a test case? Maybe "gorilla" or something silly so when we go to test it out, we can comfortably post an ad with a term in there? Put differently, we'd rather not use one of the actual banned words.

## Thanks

Issue History Date Modified	Hennen	Field	Chango
Date Modified	Username		Change
08-04-11 23:47	padillaa	New Issue	
08-04-11 23:47	padillaa	File Added: term alert m	nock dag
00-04-11 23.47	hantitaa	File Added. Celin diere ii	eck. JbB
08-04-11 23:47	padillaa	Task Type	=> support
08-04-11 23:47	padillaa	Task Activity	=> Open
08-04-11 23:47	padillaa	Task Scope	=> Small
08-04-11 23:49	padillaa	Assigned To	=> vaughtj
08-04-11 23:49	padillaa	Status	new => assigned
08-04-11 23:50	padillaa	Assigned To	vaughtj => DesertNet
11-29-11 16:57	padillaa	Note Added: 0046871	
11-29-11 17:05	DesertNet	Note Added: 0046873	
02-22-12 17:40	ferrerc	Note Added: 0048585	
05-23-12 11:09	ferrerc	Note Added: 0050310	
05-23-12 11:10	ferrerc	Note Edited: 0050310	
05-23-12 11:10	ferrerc	Note Edited: 0050310	
05-23-12 11:11	ferrerc	Priority	normal => urgent
05-23-12 16:16	DesertNet	Note Added: 0050318	
05-23-12 16:17	DesertNet	Assigned To	DesertNet => ferrerc
05-23-12 16:17	DesertNet	Status	assigned => feedback
05-23-12 16:24	padillaa	Note Added: 0050319	
05-23-12 16:24	padillaa	Assigned To	ferrerc => DesertNet
05-23-12 16:44	DesertNet	Note Added: 0050320	
*======================================		***************************************	

From: To:

Cc: Subject:

Clarification on Underage ads VERY VERY IMPORTANT Tuesday, June 26, 2012 1:11:39 AM

Date: Attachr

Please note very carefully:

The definition of underage is anyone under the age of 18. But for the purposes of making reports, we err on the side of caution and try to report anyone that looks under the age of 21.

IF IN DOUBT ABOUT UNDERAGE: The process for now should be to accept the ad and note the link. However, if you ever find anything that you feel IS UNDERAGE AND is more than just suspicious, you can delete the ad, note the link and notify IN ONLINE DOC.

PLEASE CREATE AN ONLINE DOC FOR ALL SUSPICIOUS UNDERAGE AD LINKS SHOULD BE PLACED.

ONLY DELETE IF YOU REALLY VERY SURE PERSON IS UNDERAGE. (IN ONLINE DOC NOTE THE AD LINK)

Please confirm back your understanding AND THAT YOU HAVE SPOKEN TO EVERY TM INDIVIDUALLY AND EXPLAINED THIS POINT.

I have attached example of the online doc. Please create it ASAP.



Monita Mohan Monday, July 09, 2012 7:02 PM Andrew Backpage; Joye Backpage Fwd: Banned Code words. Backpage Code words.xls From: Sent: To: Subject: Attachments:

Hi Andrew and Joye

Please confirm if you would like us to delete the ads with these words?

Best Monita

Hello Mam,

Kindly check the attached Doc of Backpage Code Words.

We came across with the words having the same Meaning given in the Banned list.

Attached Doc is having 2 Spreed sheets

- Backpage Banned Code words
   Related code words

Let us know, What we have to do with Related Code Words?

Monita Mohan Manager CRS Services

		ALLOWED IN PHONE AND
TERM	BANNED	WEB
Oral	X	CONTRACTOR STANDARDS CONTRACTOR OF CO.
ana!	x	
anal	x	у
an!	×	•
ass up panties down	x	
back door	x	
back-door	x	
backdoor	x	
bare back	x	
bareback	x	
barely legal	x	
barelylegal	×	
bbbj	x	
bbbja	x	
bbbjtc	×	
bbbjtcim	×	
applem	*	
bbbjtcws	x	
bbbjwf	Χ .	
bbjs	x	
beejay	x	
bend over and be my bitch	x	
bf3	x	
bj	×	
bjs	×	
bl0w	x	
blow job	x	
blowjob	x	
boning	x	
boyfriend experience	x	
brown shower	×	
brownshower	×	
bukkake	x	
bust a nut	×	

BP-PSI-017279-A1 Document Native File Produced to PSI

cardate	x	
cbj	x	
cim	×	
cock	×	У
cum	x	У
cunt	x	У
daty	x	
deep throat	x	
deepthroat	x	
devour your manhood	×	
diido gag	×	
doggie style	×	
double pentration	x	У
ejaculation	x	
face down ass up	×	
felatio	x	
fellatio	x	
filatio	x	
fisting	x	
foreign languages	×	
fu11 service	x	
fuck	x	у
full release	×	
full service	x	
fvck	×	
gf3	x	
gfe	x	У
girl friend experience	x	у
girlfriend exp	×	
give it to me rough	×	
-	^	
golden showers	x	у
goldenshowers	×	у
gr3ak	×	
gr88k	×	

BP-PSI-017279-A Document Native File Produced to PSI

gre#ce	X	
gre3k	X	
gre8k	X	
greece	X	
greeeek	×	
greeek	×	
greek	×	
grk	×	
h0les	x	
hand job	х	
handjob	×	
happy ending	×	
high school	x	
highschool	x	
hj		
human trafficking	×	
kumm	×	
kumm		
lbfm	X	
let me sit on it	х	
lets bone	x	
make love	x	У
missionary	x	
on my knees	x	
oral	x	У
orally	x	У
orgasm	x	У
orli	x	
p.u.s.s.y	x	
pegging	x	У
porn star experience	×	.,
	×	y
pse		y
pstar	x x	
pu\$\$y		
pussy	X	У
put it in my kitty	X	
rape ride me	X	
True me	x	у

BP-PSI-017279-A3 Document Native File Produced to PSI

ride your pony school girl schoolgirl soak my kitty super head t33n teen teenage tongue massage touch my kitty transexual experience trip to the islands uncovered services xxxstar yung we have to fall below mentioned words shag me

lock door party with Money Nail me

2 or more ppt's having sex with one girl

Gangbang

With money fail

App.000363

BP-PSI-017279-A4 Document Native File Produced to PSI

car dts

Bare back blow job to completion

Bare Back Blow Job To Completion In Mouth.

bareback bblow job to completion with swallow Bare back blow job with facial ending Bare Back Blow JobS

Burn Fuck Egypt/ boy friend exp

Engaging in sexual intercourse Laying your man pipe in a girl's nether regions until neither party can handle it any longer

affection oriented male escort / same as GEF

A beautiful woman with a delicious soft ass has her anus inches from a male's face and starts to defecate in a waiting male mouth which causes the male to ejaculate, feeling satisfied of smelling and tasting a woman's shit. same as above group of guy's ejucting sperm on face To ejaculate, cumm, squeeze one off

App.000364

BP-PSI-017279-A5 Document Native File Produced to PSI The act of prostitution, occurring in a vehicle. Some examples: It appears as before that we have a woman car dating in our neighborhood. covered blow job cum in mouth pennies sperm female Private part

Like BJ
Strap on
Having sex from behind
DP
discharge of semen from the penis caused by
sexual stimulation
69
The act of orally pleasing the male genitalia.

The term use in polite company which refers to the subservient act of orally stimulating the male sex organ

The practice of oral sex given to a male the act or art of putting a fist in an ass or vigina Greek , french, Italian .....

to be sexually aroused.

when horny, men will get hard-ons and women's pussies will get wet.
The act of pissing on another used as a means of sexual foreplay
The act of pissing on another used as a means of sexual foreplay
Anul
Anul

App.000365

BP-PSI-017279-A6 Document Native File Produced to PSI foreign languages Anal sex Anul Anal sex Anul Anal sex Anul Anal sex Private part's/ 3holes

Private part's/ 3holes Masrtubation Masrtubation

Giving HJ at the end of the massage

## Masrtubation (handjob)

Per the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, supplementing the Convention against Transnational Organised Crime of 2000 sperm little brown fucking machine

little brown fucking machi sex intercourse sex intercourse

sex intercourse

the best sex position for them first timers, sex intercourse sucking or getting some thing in mouth sucking or getting some thing in mouth

The peak pleasure of sex. Its like an explosion in the inside of your body, but it feels great sucking or getting some thing in mouth Female Private part
Strap on

This is activity that is done bareback meaning no condom. Whether it is done oral, anal or vaginal. porn star experience porn satr Female Private part Female Private part keeping Penis in Female Vagina forcefull sex sex intercourse

App.000366

BP-PSI-017279-A7 Document Native File Produced to PSI sex intercourse

A female in full or part time education

A female in full or part time education

When the penis is put in the vagina but there is no pumping or thrusting, so it seems less like sex.

someone between the ages of 13and 19 someone between the ages of 13and 19

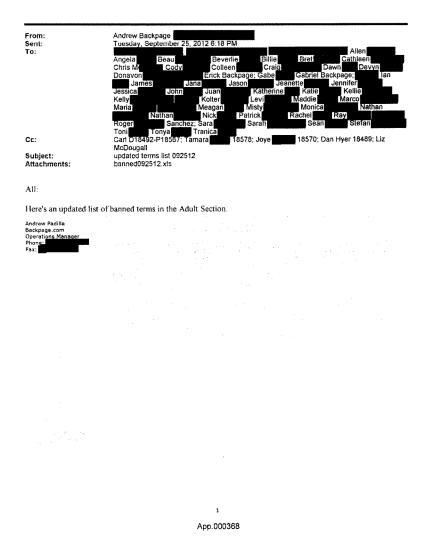
The act of licking ones balls while simultaneously performing fellatio ( blow job's) means touching the private parts of woman

To have sex without a condom or without protection.

fuck me A party or an engagement where a group of females are made available to a group of males to perform sexual acts at a cost fuck me

App.000367

BP-PSI-017279-A8 Document Native File Produced to PSI



2 plays	T
3 openings (variations)	T
3 way	1
69 as a term (not as age)	1
all doors open	1
all the way	+
anal	+
ass up panties down	+
back door	<del> </del>
	contovi
bang	context
bareback	<del> </del>
barely legal	alert
bend me over	
blow job, bj, beejay, bbbj	
boning, bone (variations)	
boyfriend experience - bfe	
brain (act)	
brain doctor	
brown eye	
brown shower	
bukkake	I
cardate	T
cim (cum in mouth)	1
climax	context
cock	
condom (variations)	<del></del>
cum (variations)	-
cunt	+
daty	+
	<del></del>
deep throat	<del></del>
dick	
dildo	
doggie style	
double pentration	
ejaculation	
everything on the menu	1
face down ass up	
face special	1.
felatio	
fisting	
foreign languages (variations)	T
(act)	1
freak (act)	
fuck	1
fuck buddy	1
full	context
full release	1
full service	
gag relex	+
get off	
girlfriend experience, gfe	-
give it to me (variations)	+
	+
golden showers	4
greek (variations)	
hand job, hj	4
[happy ending	

6P-PSI-052284- A1 Document Native File Produced to PSI

<del></del>	
hard	context
head doctor (variations)	
highschool	alert
holes	
human trafficking	alert
in bed (variations)	
inclusive	
inside me	
kitty	
let me sit on it	
lick	
load	context
lube (variations)	
make love	
milking	<del> </del>
missionary	<del> </del>
multiples, multi	<del> </del>
no restrictions	
nut (act)	<del> </del>
nympho	<b> </b>
on my knees	
oral	
orgasm	
pegging	
pops	
porn star experience - pse	
pound (act)	
prostitute	
pussy	
quicky	
rape	alert
ride	context
ripe	alert
school girl	alert
sexual	context
sloppy	T
slut	İ
squirting	1
strap on (variations)	
sucking	<del> </del>
super soaker	<del> </del>
swallow	<del> </del>
taste me	<del>                                     </del>
teen	alert
teenage	alert
tender	alert
tongue massage	aicit
transexual experience - tse	<del>                                     </del>
	<del> </del>
trip to the islands (variations)	<del> </del>
uncovered services	
vagina	
virgin	alert
wet	
whore	ļ
XXX	<u> </u>

on behalf of Colleen Backpage

Colleen Backpage Wednesday, October 03, 2012 6:45 AM Jason Backpage moderator procedures

From: Sent: To: Subject:

*That list Andrew sent out should be the only coded terms we go after from now on.

If you get a positive match on any of those, the whole ad gets deleted. No more editing except in the case of a bad link or picture.

- *He put 'context' next to a few of those terms because there are a lot of ways to use those in a non-sex for money way.
- -Like 'cum' is okay unless they mean semen. Loads of fun... rather than take my load.
- *Everyday references to sex, either plain English or household phrases also lead to full ad deletion.
- That's the tricky one,... don't look too far into things to make it illegal.
- *Banned terms in Pic are to be considered same as being in body of the ad. Full deletion.
- *Once you delete please send all deletes into James. If removing from the queue please send a stable link.
- *Also, Doggy style butt shots are now being removed as an image violation.
- *If they say no bb, greek... is a delete as well but no fs is ok.
- *The big point is, don't edit and no doggy style pics.
- if u have question PLEASE feel free to ask away!

on behalf of Colleen Backpage

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From: Sent: To: Subject:

Redacted for Privacy
Thursday, October 11, 2012 10:36 PM
www.backpage.com
omaha, ne Support Ticket 1349991331: How do I edit my ad?

Email Address Redacted for Privacy Inquiry: How do I edit my ad?

Metro Area: omaha, ne
Ad Link: http://omaha.backpage.com/Datelines/natural-born-ers-38/4152213

I'm trying to edit my posting to this: Title: Natural Born Swallowers Description These co-ed cuties had a taste of spunk and are now hopelessly addicted!http://www.naturalbornswallowers.com/?t_link= Redacted for Privacy then I press submit. But it keeps reverting back to this: Title: Natural Born ers Description These co-ed cuties had a taste of spunk and are now hopelessly addicted!http://www.naturalborners.com/?t_link= Redacted for Privacy can you help? I paid the fee and I'm not getting the add I want.

From: Sent: To: Subject:

Redacted for Privacy
Thursday, October 11, 2012 10:36 PM
www.backpage.com
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Email Address Redacted for Privacy Inquiry: How do I edit my ad?

Metro Area: omaha, ne
Ad Link: http://omaha.backpage.com/Datelines/natural-born-ers-38/4152213

I'm trying to edit my posting to this: Title: Natural Born Swallowers Description These co-ed cuties had a taste of spunk and are now hopelessly addicted!http://www.naturalbornswallowers.com/?t_link= Redacted for Privacy then I press submit. But it keeps reverting back to this: Title: Natural Born ers Description These co-ed cuties had a taste of spunk and are now hopelessly addicted!http://www.naturalborners.com/?t_link= Redacted for Privacy can you help? I paid the fee and I'm not getting the add I want.

From: Sent: To: Subject: Redacted For Privacy on behalf of Redacted For Privacy |
Thursday, December 20, 2012 9:57 PM |
Support Backpage |
Re: st. louis, mo Support Ticket 1355984685: How do I edit my ad?

Why do your site cute out the word daddy from my company's name daddy's angles

Sent from my iPhone

On Dec 20, 2012, at 8:57 AM, Support Backpage <a href="mailto:support@backpage.com">support@backpage.com</a>> wrote:

We are greatly reducing the number of links to third party sites at the request of our internet safety consultants.

Posts have a character limit of 500; this includes spacing and punctuation.

On Wed, Dec 19, 2012 at 11:24 PM, Redacted For Privacy wrote: Email Address: Redacted For Privacy Inquiry: How do I edit my ad?

Metro Area: st. louis, mo
Other Email Address: Redacted For Privacy Ad Link:

http://posting.stlouis.backpage.com/online/classifieds/ViewAd?oid=9836174&uid=70ccad6668fd741791415b9bb13aa6ea

why come I cant post my website link on my ad as well as why am I limited to the amount of text I can use where I see other ads that has a lot of texts

Backpage Support
www.backpage.com
Please include any previous correspondence when replying to support.

From: Sent: To:	Redacted For Privacy on behalf of Redacted For Privacy Thursday, December 20, 2012 9.57 PM Support Backpage
Subject	
Why do	your site cute out the word daddy from my company's name daddy's angles
Sent fro	om my iPhone
On Dec	2.20, 2012, at 8:57 AM, Support Backpage < wrote:
	We are greatly reducing the number of links to third party sites at the request of our internet safety consultants.
	Posts have a character limit of 500; this includes spacing and punctuation.
	On Wed, Dec 19, 2012 at 11:24 PM, Redacted For Privacy wrote:  Email Address: Redacted For Privacy Inquiry: How do I edit my ad?
	Metro Area: st. louis, mo Other Email Address: Redacted For Privacy
	Ad Link. http://posting.stlouis.backpage.com/online/classifieds/ViewAd?oid=9836174&uid=70ccad6668fd741791415b9bb13aa6ea
	why come I cant post my website link on my ad as well as why am I limited to the amount of text I can use where I see other ads that has a lot of texts
	3.1 3.1
	Darling Council
	Backpage Support
	www.backpage.com Please include any previous correspondence when replying to support.
	ricase include any previous correspondence when replying to support.

From: Sent: To: Subject:	Lisa Backpage Monday, January 21, 2013 4:52 PM James Backpage Re: Review	
Ok. Will do next ti	e!	
	3 at 10:51 AM, James Backpage wrote: minder, the review email is meant for the alert term ads, on this one you could of just sent	i it
	13 at 9:49 AM, Lisa Backpage wrote: nove pc, so I didn't want to lose the notes. Thank you!	
On Mon, Jan 21, 2 got it	3 at 10:47 AM, James Backpage wrote:	
On Mon, Jan 21, 2 Lisa (bp76)	13 at 9:40 AM, Lisa Backpage wrote:	
Review:		
http://admin.penns	vania.backpage.com/AdultJobs/busy-escort-massage-agency-in-central-nj-and-nnj-now- 21/11682861	

Notes: Could not delete ad. An escort ad suggested that they don't want a non GFE so I am assuming they are promote prostitution.

From: Sent: To: Subject:	on behalf of Lise Backpage Monday, January 21, 2013 4:52 PM James Backpage Re: Review
Ok. Will do next time!	
	t 10:51 AM, James Backpage wrote: wrote: der. the review email is meant for the alert term ads. on this one you could of just sent it
	t 9:49 AM, Lisa Backpage < wrote: e pc, so I didn't want to lose the notes. Thank you!
On Mon, Jan 21, 2013 at got it	t 10:47 AM, James Backpage wrote:
On Mon, Jan 21, 2013 at Lisa (bp76)	9:40 AM, Lisa Backpage <
Review:	
http://admin.pcnnsylvan hiring-immediately-21/1	ia backpage.com/AdultJobs/busy-escort-massage-agency-in-central-nj-and-nnj-now- 1682861

Notes: Could not delete ad. An escort ad suggested that they don't want a non GFE so I am assuming they are promote prostitution.

From: Joye Backpage Monday, January 21, 2013 6:46 PM
To: andrew
Fwd: Touching Base -Please Read

From: Jana Backpage Date: Mon, Jan 21, 2013 at 11:43 AM
Subject: Touching Base -Please Read
To: Lisa Backpage Kristen Backpage Veqar Backpage
Cc: Joye Backpage James Backpage Jessica Backpage Jessica Backpage

Hello everyone.

I just want to touch base and see how things are going. If you need any help please let Andrew, Craig or Jessica know, they are all in the office.

Also

I want to stress when you are sending in your emails please follow the protocol that I sent out.

Delete emails go to (james ONLY put your BP#, the link to the ad that is deleted and the key word why the ad is deleted in your notes such as GFE, FS, BB.

Alert term emails (<a href="review@backpage.com">review@backpage.com</a>) just need the link, your BP# and the alert term that is in the ad. Alert terms are located in the banned terms list.

*Please do not go into detailed explination.

Young ad emails are sent to (reporting@backpage.com) just need the link to the ad your BP#. (If there are several people in the ad, put what image you are concerned about, ex: image 1,2,3 ect)

*I am going to have Jessica check everyone's notepads before they are sent out at the end of each day this week. Please check with her around 4 pm before you send them out.

Thank you,

Jana

From: Sent: To: Subject:	Joye Backpage Monday, January 21, 2013 6:46 PM andrew Fwd: Touching Base -Please Read	
From: Jana Backpa Date: Mon, Jan 21, Subject: Touching E To: Lisa Backpage	nge = 2013 at 11:43 AM Base -Please Read	Veqar Backpage
Cc: Joye Backpage		, Jessica Backpage

Hello everyone.

I just want to touch base and see how things are going. If you need any help please let Andrew, Craig or Jessica know, they are all in the office.

Also

I want to stress when you are sending in your emails please follow the protocol that I sent out. Delete emails go to (<a href="maileo:immes@backpage.com">immes@backpage.com</a>) ONLY put your BP#, the link to the ad that is deleted and the key word why the ad is deleted in your notes such as GFE, FS, BB.

Alert term emails (<a href="review@backpage.com">review@backpage.com</a>) just need the link, your BP# and the alert term that is in the ad. Alert terms are located in the banned terms list.

*Please do not go into detailed explination.

Young ad emails are sent to (reporting@backpage.com) just need the link to the ad your BP#. (If there are several people in the ad, put what image you are concerned about. ex: image 1,2,3 ect)

*I am going to have Jessica check everyone's notepads before they are sent out at the end of each day this week. Please check with her around 4 pm before you send them out.

Thank you,

Jana

From: Sent: To: Subject: Joye Backpage on behalf of Jo Thursday, July 11, 2013 5:03 PM Jessica Re: spacecoast backpage.com Report Ad to NCMEC on behalf of Joye Backpage Not that I know of. She just doesn't look under 18. These are the kind of reports the cops question us about. I find them all the time, it's just usually you who sends them. On Thu, Jul 11, 2013 at 10:59 AM, Jessica Bowers is she well known? wrote: she looked drugged and has bruises... that was really why i decided... :/ On Thu, Jul 11, 2013 at 10:56 AM, Joye Backpage I probably wouldn't have reported this one. loye On Thu, Jul 11, 2013 at 8:15 AM, <u>spacecoast.backpage.com</u> <a href="mailto:support@backpage.com">support@backpage.com</a> wrote: The following ad was just reported to the NCMEC by **bp85**. Ad Status: Live Violations: Inappropriate Content and Reported to NCMEC Additional Info: Backpage.com moderator, bp84, feels the person in this ad looks young. Site: spacecoast.backpage.com Section: adult entertainment Category: escorts Posting Time: June 6, 2013, 04:07 PM Creation Time: June 6, 2013, 03:51 PM :-) call me :-)

App.000381

Reducted for Privacy can host if needed call me for any of you're needs...I'm sure to please :-)

(A) infection of the transfer of the second	X Military and the second second	the relationship that the control of
(A) spread assume the proof on the distribution of the contraction of the contract of the cont	Right and new committees in And it stances prouply the Cambridge reward the	Special residence for the special spec
2.004 are at the control of the cont		
Manual and the second sec		

To view this posting, please click the link below: http://admin.spacecoast.backpage.com/FemaleEscorts/call-me-24/8481370

To edit or delete this ad, use the following URL:

2

 $\label{limit} http://admin.spacecoast.backpage.com/online/classifieds/DeleteAd?id=www-d6c972cc4f85a96d605520826942e5c4-1370546282\&oid=8481370$ 

**Redacted for Privacy** 

From: Sent: To: Subject: Attachments:	Sara Backpage on behalf of Sara Backpage Friday, April 25, 2014 1:07 AM Donavon Backpage Fwd: Ads With Links Group 42414 Object_Editor_2.8	
Thanks! Sara Phone:		
From: Joye Backpage < Pater Thu, Apr 24, 2014 at 2:23 Subject: Ads With Links Group To: Eden Backpage < Cc: andrew <	D PM	
Hello,		
You are on the distribution list for the day you will get those emails in	Which means when the moderators send in their links for n your inbox.	
When it's your turn to work the emails you'll reply all with "got it".		
You'll open all the ads from the email, and verify that the links in the ads have porn, sex for money etc.		
if they do, you'll create a "filterterm" to Strip Term From Ad. (don't bother removing it from the current ad)		
Then paste the link to the external site into this document please: https://docs.google.com/a/backpage.com/spreadsheets/d/1Fmai0gYJEZ7TA4ifM9gKFrLzOpD4VehKBLhw9wDqhk4/edit#gid=0		
Notes: be careful not to make the filters to	oo specific or too broad. See aflached.	
in this instance, <a href="www.sinfulsecrets.com">www.sinfulsecrets.com</a> is what appears in the ad but actually directs to <a href="http://www.lustfulsecrets.com/escort_employment.htm">http://www.lustfulsecrets.com/escort_employment.htm</a> when clicked		
the filter however is for sintulsecre	ts.com so it will catch more	
on the other hand, if it's youtube, facebook or any site that may have legitimate content, the filters need to be extremely specific so we're ONLY blocking the link with violations.		
Eden- Monday, Tuesday Saturday	is your turn	
. 1		
Eden- Monday, Tuesday Saturday is your turn		

Kelli- Wednesday, Thursday Friday Sunday is your turn Sara- Monday -Fri you'll get anything they didn't get to, until you're off for the day.

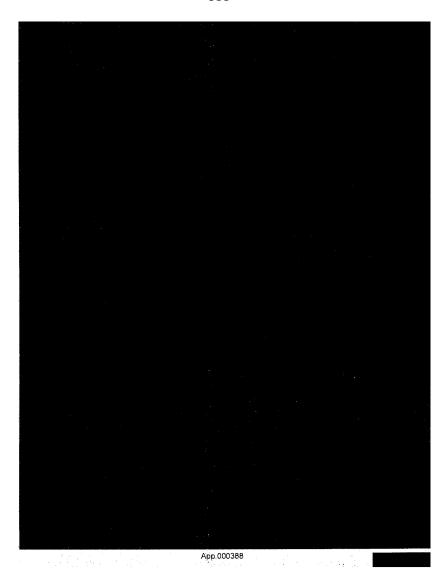
Let me or Andrew know if you have any questions or aren't sure about something.

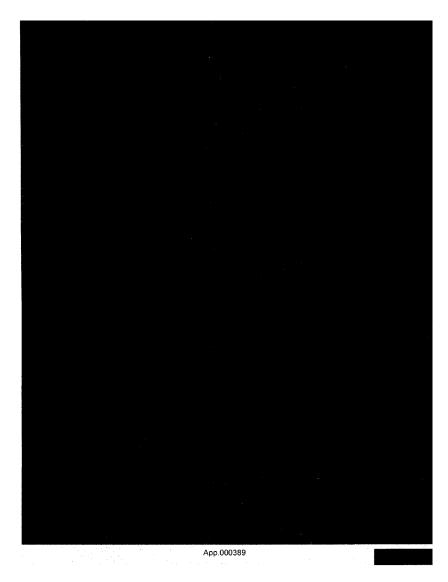
Joye

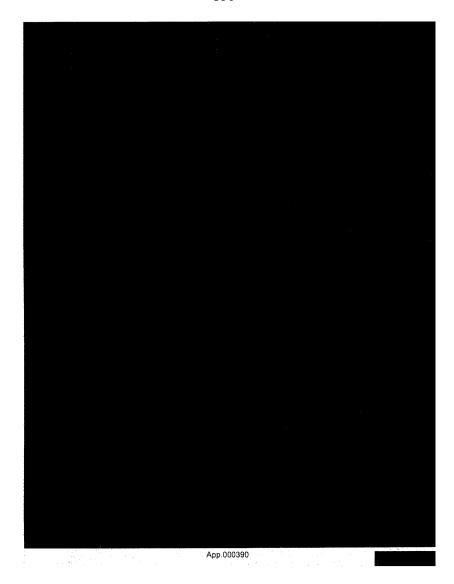
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rate PAGE	<b>Y</b> (g)
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activity and	<b>(4.5.14)</b>
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heck the count	ries for which this filter is relevant. If no countries are selected, this filter will be applied in all countries.
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	Palati Valendaria desira desaria desaria.
	Particular Schlau Picker Property Particular Schlausen Schlause
Forbidden Lyou would like	Text t to override the default system message, you can optionally provide costom forbidden axit.
Feedbildical Texts	
- communication	
5.4.5.5.5.5.4	

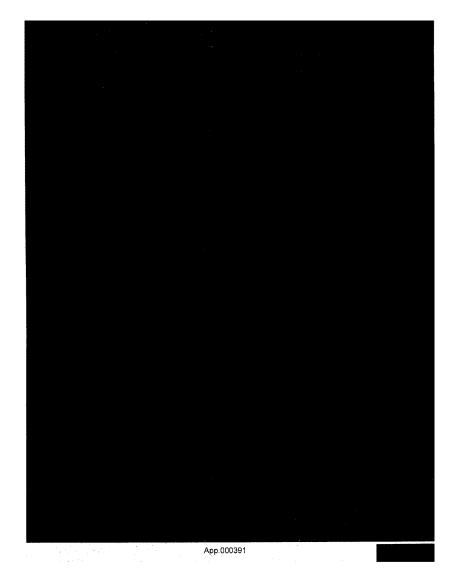
Gyrobase

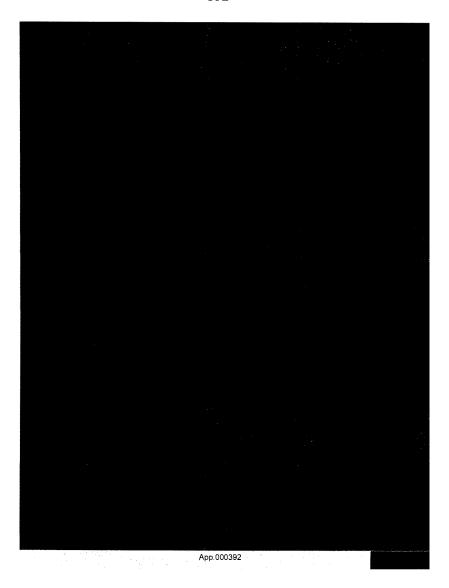


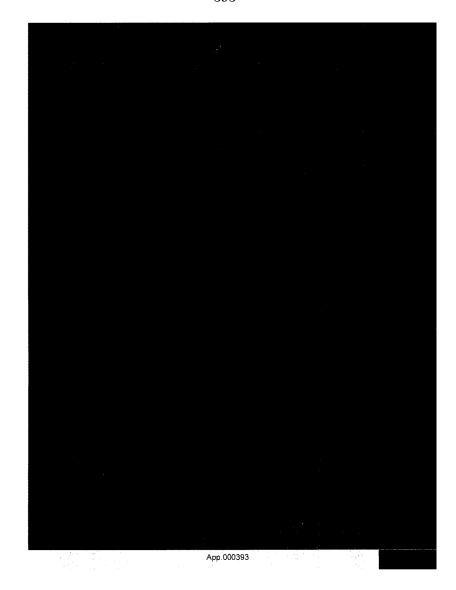


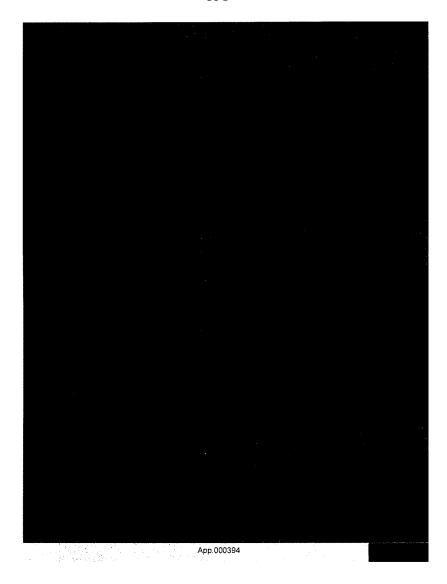


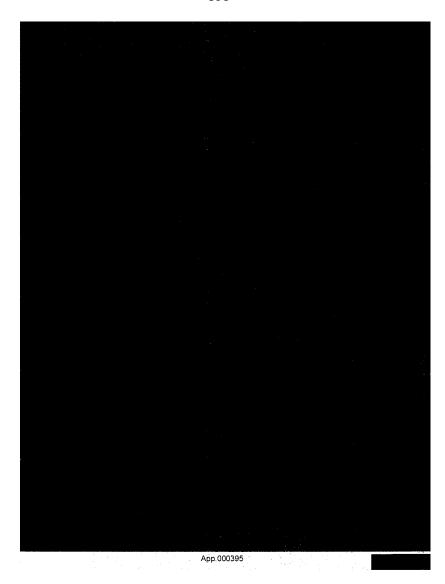


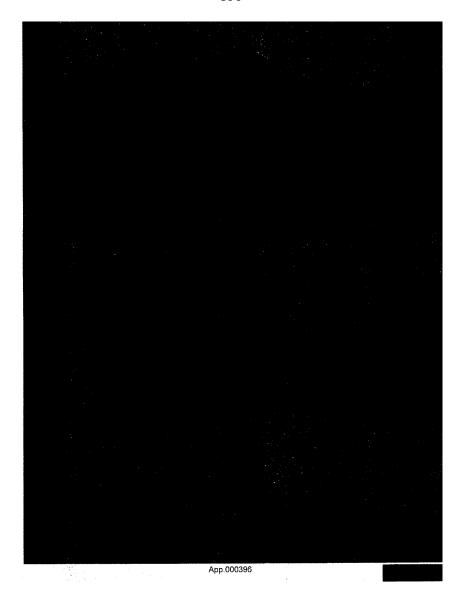












Vehiste Technologies, LLC	Abuse Filter Backpage
een. boston (adult) Al	D boston
Redacted For Privacy via bac	kpage.com Sun, Oct 12, 2014 at 7:39
Reply-To: o:	
Ad: teen, boston (adult)	ring due to the following filter matches:
Sorry, "teen" is a banned term	. We do not permit ads promoting teen pornography or other
pornography that describes me	odels who might be underage.
pornography that describes me Edit Filter:	odels who might be underage. www/tools/object-editor?oid=27307953
pornography that describes me Edit Filter:	
pomography that describes me Edit Filter: https://site1a.backpage.com/w From: Redacted For Privacy IP: Inducted For Privacy View User Account:	

Website Technologies, LLC	Abuse Filter B	ackpage <
innocent schoolgirl bo 1 message		unutrania and government of the debates and the anticological and confederation and the anticological anticological anticological and the anticological anticologica
Redacted For Privacy via bac Reply-To: To:	kpage.com <	Sun, Oct 12, 2014 at 7:42 AM
This ad was blocked by filte	ring due to the followin	g filter matches:
Ad: innocent schoolgirl bostor	ı (adult)	
The term "innocent" is forbidd	en in this category.	
Edit Filter: https://site1a.backpage.com/v	vww/tools/object-editor?o	id=86997046
From: Redacted For Privacy IP: Redacted For Privacy	]	
View User Account: https://site1a.backpage.com/v	www/classifieds/central/M	anageAds?user= Redacted For Privacy
Let's have a good time		

beautiful smile, good attitude, sexy innocent schoolgirl

Barely Legal! boston (adult) AD boston

1 message

Redacted For Privacy via backpage.com 
Sun, Oct 12, 2014 at 7:47 AM

Reply-To:

This ad was blocked by filtering due to the following filter matches:

Ad: Barely Legal! boston (adult)

"Barely legal" is a forbidden term in this category.

Edit Filter:

https://site1a.backpage.com/www/lools/object-editor?oid=65300402

From: Redacted For Privacy

IP: Redacted For Privacy

View User Account:
https://site1a.backpage.com/www/classifieds/central/ManageAds?user Redacted For Privacy

Call me!

Barely Legal!

Website Technologies, LLC Abuse Filter Backpage « high school boston (adult) AD boston 1 message Redacted For Privacy Via backpage.com < Reply-To: To: Sun, Oct 12, 2014 at 7:44 AM This ad was blocked by filtering due to the following filter matches: Ad: high school boston (adult) "high school" is a forbidden term in this category. Edit Filter: https://site1a.backpage.com/www/tools/object-editor?oid=87843112 From: Redacted For Privacy View User Account: https://site1a.backpage.com/www/classifieds/central/ManageAds?user=Redacted For Privacy Let's have a good time beautiful smile, good attitude, high school

Schoolgiri boston (adult) AD boston

1 message

Redacted For Privacy | via backpage.com | Sun, Oct 12, 2014 at 7:43 AM Reply-To:
To:

This ad was blocked by filtering due to the following filter matches:

Ad: schoolgirl boston (adult)

"schoolgirl" is a forbidden term in this category.

Edit Filter:
https://site1a.backpage.com/www/tools/object-editor?oid=87842926

From: Redacted For Privacy | IP: Redacted For Privacy |
View User Account:
https://site1a.backpage.com/www/classifieds/central/ManageAds?user= | Redacted For Privacy |
Let's have a good time

beautiful smile, good attitude, sexy schoolgirl

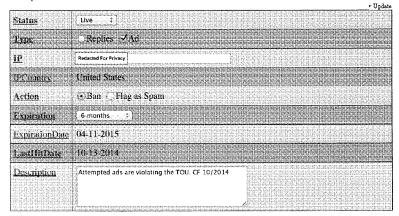
<ev> Object Editor (admin.www.backpage.com)

# Class: FilterIP

Last modified on Monday October 13, 2014 at 9:50 AM, by national. 4-5

# Originally posted on Monday, October 13, 2014 at 9:50 am

Examples: 192.168.0.6 or 232.45.68.* or 209.104.*



Check the countries for which this filter is relevant. If no countries are selected, this filter will be applied in all countries.

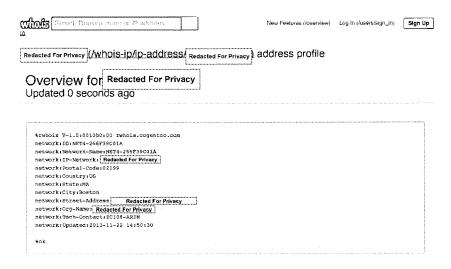
Select: All / None



https://site/a.backpage.com/www/tools/object-editor?oid=342742546

10/16/2014	<ev> Object Editor (admin.www.backpage.com)</ev>
	Kyppe, Avs.) Abreno Avernade Avs. kryedik Alleh Perhay Averam
	Africa i Registration - Principal - Principally - Africanism
Select section	ids for wide matches or category keys for limited category specific matches. Please do not
select both sec	tion ids and category keys for the same filter.
	Mathic Community Cassides Carolide
	CE CANADA
	Ethiy selligide Employment Employme

Up Galy



were not trying to Bust them, were not getting Stricter, we are just trying to stop the worst of the worst.

Please dont abuse the lock ad feature—users will probably email in.

everytime it gets updated by either the user or ourselves, it ads 15 minutes to it and goes into the edited queue

if someone is browsing the site deletes a picture but leaves a bad title, they are adding 15 more minutes to it. and depending how fast the edited queue gets to it, it could sit on the site live for 30+ minutes with a bad title or something in the body.

in dating: do not lock the ad for a sex act in a pic, just delete the pic, we will lock the ad if they have countless deleted pics of sex acts.

we want to keep our ad locks limited to the people we feel are working the system. Locking the ad is for people who abuse our terms of use and waste an excessive amount of our time with countless and countless nude pictures.

we wont lock an ad for just a few pics of up close genital pictures but, we will lock for obscene pictures such as cum and dildos on a naked body

so we also shouldnt lock someones ad just because they have 6 deleted pics, dont want to put a number on it either. By now you should be able to spot the users who are "innocent" versus the ones who spend hours repeatedly uploading nude images that will be deleted.

Every ad we browse is not always moderated beforehand

your stamp is the last shown you are accountable but dont be afraid to click the update button -be confident in your changes

dont just delete pics when browsing. Read Everything.

Excessive amounts of deleted LEGIT nude/extreme images get the ad locked.

Lock the ad early if there is a severe/obscene/graphic pictures

it only locks the specific Ad Not the entire accountable

when browsing please clean up the front page -law enforcement rarely goes past page 2

be sure to go through the entire city list early on a couple times in the first few hours of your shift then dig deeper

- hitting up only 20 ads in LA will not even scratch the surface.

Locking ad may help flow of edited queue.

From: Sent: To: Subject:	Lauren Backpage Wednesday, July 22, 2015 10:44 PM Joye Be: removal request from Children of the Night 072215
•	
Oh ok awesome, sounds	great!
	4:43 PM, Joye Backpage that the to make sure we weren't sending that info
	ne thing you did with the searches but she it. She only sent it to Andrew.
Let's the 3 of us meet to improvements in help@	morrow morning at 10am to talk about a couple
Thank you! Joye	
> No, I couldn't find any	4:39 PM, Lauren Backpage wrote: sites on the list we normally use so Andrew told me ld find whoops! lol I had no idea. I'll make a note
	at 4:37 PM, Joye Backpage wrote:
>> Hey do you guys not >> when you reply to co >>	rmally send out evil empire and naked city links pps?
>> If you do, can you st >>	op? We own those sites too :)
>> Thank you >> Joye >>	
>> On Wed, Jul 22, 201 >> > Hi there,	5 at 4:31 PM, Lauren Backpage < wrote:
	fall the info I could find on the user.
>>>	p ahead and 404 the ad on the account;
>> > On Wed, Jul 22, 2 >> >> >> will do sir!	015 at 3:42 PM, Ray Backpage <wrote:< td=""></wrote:<>
>> >> will do sit!	
>> >> On Wed, Jul 22, >> >> wrote:	2015 at 1:33 PM, Andrew Backpage

```
>> >>>
>> >>> Let's handle this round-robin.
 >> >>> help@ should research whatever they can find based on these two
 >> >>> accounts
>> >>> and two attachments.
 >>>> We're only looking for info specifically related to the girl in the >>>> attachments.
 >> >>>
 >>>> Shawn: 404 all of the ads when Ashley/Lauren give you the all clear.
 >>>>> Ray: Request a Google removal for the ads in the attachment when >>>>> Shawn >>>> is done.
 >> (>)>
 >> >>>
 >>>>>
 >>>> https://sitela.backpage.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www/classifieds/central/ManageAds?user=wwet38@yahoo.com/www.classifieds/central/ManageAds?user=wwet38@yahoo.com/www.classifieds/central/ManageAds?user=wwet38@yahoo.com/www.classifieds/central/ManageAds?user=wwet38@yahoo.com/www.classifieds/central/ManageAds/central
 >> >>>
 >> >>>
 >>>> \underline{https://site1a.backpage.com/www/classifieds/central/ManageAds?user-joshybo32\%40aim.com} >>>>>
 >> >>>
 >> >>> Andrew Padilla
 >> >> Operations Manager
>> >> Backpage com
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 >> > Lauren A.
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>> >
 > Lauren A.
```



From: Sent: To: Subject:	Jana Backpage Friday, July 24, 2015 3:03 PM Matt Backpage Re: terms that I am wondering about
ok, just wanted to as leave them up thank	k to me that is plain English. I never knew those terms to mean anything else But I will you
You should not be re	at 8:59 AM, Matt Backpage survey wrote: moving these terms. Try and stick to the banned list unless its plain English. Example of ng love. If you have any other questions please let me know.
Matt Backpage com	· 
	at 3:06 PM, Jana Backpage wrote: afe these two terms- is that ok to delete or do I leave them up?
nooner	

Andrew Backpage
Wednesday, October 07, 2015 2:39 PM
Joye
Fwd: live banned terms From: on behalf of Andrew Backpage Sent: To: Subject:

From: Chase Backpage Date: Wednesday, October 7, 2015 Subject: live banned terms To: Andrew Backpage

So, I wanted to shoot an old idea by you again. That being, the moderating idea i pitched back when I was new. It was said it would be "over moderating". Which looking back I understand at THAT time what you mean. But, In light of recent events. I have noticed (im sure you and others have) massive numbers of live ads with banned In light of recent events, I have noticed (in sure you and others have) massive numbers of inve and with daminet terms and pictures out on the site. I know the que is getting relentless with the free ads and spam, and spams a killer right now. But does it seem like its a good idea to actually do that type of moderation as well? That way once things get back to normal, there wont be a bunch of ads that are live that could cause an issue (with content) as well?

Just throwing it out there. Have a good day.

thanks

From: Sent: To: Subject:

William Backpage Saturday, October 31, 2015 10:21 PM Stephanie Backpage Re: ?? on behalf of William Backpage

thats fine

On Sat, Oct 31, 2015 at 4:57 PM, Stephanie Backpage wrote: https://site1a.backpage.com/www/online/admin/EditNationalAd?id=ea2cce4657249aat927t9361077eaae4-1417543486-central&type=editForm

"His disinterest in sex just isn't cutting it anymore so I am working a side job, if you know what I mean."

is this allowed?

#### NCMEC TRAINING

### THINGS WE REPORT:

- * Ads with pictures of users who appear to be especially young.
- * Text that is suggestive of child exploitation.
- * Ads sent in to bp-abuse@ with additional comments and/or pictures that pertain to child exploitation.

#### THINGS WE DON'T REPORT:

* Ads sent in to bp-abuse@ with no relevance to child exploitation.

#### TO ENSURE A REPORT IS DONE CORRECTLY:

- * CHECK THE ACCOUNT: Whether doing Review, Reporting, or Ahuse, always check the account. Not doing so can result in duplicate reports. Let's say you want to report an ad. If you check the account and there is a line of red text that looks like this: 07/23/2014 NCMEC report sent for ad 1D 12345678 chicago (1234), it means an ad on that account has been reported before. If there are multiple add on the account, you'll need to search the email address of that account in NCMEC@ to see the receipt of that report. This is so you can see the ad that was reported; the one you want to report may have already been for the exact same reason, or could be the same exact escort.
- * REVERSE GOOGLE IMAGE SEARCH: Reverse image search is necessary when a person in an ad looks or is accused of being questionably young and you'd like to report. This keeps us from reporting ads with stock photos. If they look like stock photos, they may not be. If they don't look like it, they could be. Pictures are usually taken from model and pom galleries, articles, and some social media websites.

### NCMEC REVIEW:

PLEASE NOTE: For the time being, send all Review links you would like to report to laa@backpage.com. Please make sure to put the date in the subject line and the bp numbers of the people who sent each link...

Review involves decision making based on the context of the ad. Ads are sent to Review by moderators because of suggestive text and alert terms. In addition to the text, you may also have to consider how young the person in the ad looks and the poster's age. (To get an idea of what is usually deemed reportable, it is helpful to put "feels the text in post is suggestive of child exploitation" into the search bar in the nemec@ inbox. Although not all the ads reported will be for the same exact reason, you can almost always find one similar to the ad you're unsure about. Since it can be a pretty challenging part of NCMEC, it is important to ask questions.)

* When reviewing the links in an email sent to Review, "Reply All" and answer with "Got it" so that everyone who gets that email knows it has been looked at.

As of 02.13.14 (per Andrew):

When the following alert terms are found in an ad, the ad should be deleted (subject to context):

- Barely legal
- High school
- Human trafficking
- Rape
- School girl
- Teen/Teenage

Do not delete ads based on these alert terms (subject to context):

- Ripe
- ~ Tender
- Virgin
- Young

### NCMEC REPORTING:

PLEASE NOTE: For the time being, send all Reporting links you would like to report to laa@backpage.com. Please make sure to put the date in the subject line and the bp numbers of the people who sent each link.

Reporting involves decision making based on the pictures. Ads are sent to Reporting by moderators who think the user or users in the ad look like they could be underage. It is important to remember that what one considers to be too young looking, another may not. No one will ever be reprimanded for reporting a user they think looks underage. However, you must take all the steps necessary to make a legitimate report.

- * Check the account. The escort may have already been reported for looking young, if they have already been reported for underage allegations, there's no need to report them for looking young.
- * Use Google Image Search. It is an important part of Reporting because it can reveal the likelihood that the pictures really represent the user in the ad. Whether or not a picture looks like it may be a stock photo, always do the search. Check every picture in the ad.
- * When Google pulls up a few pages of results, check all of them. If it pulls up several pages, check at least 5 pages. Sometimes a stolen picture will mostly show up on escort sites at first while it may have originated from some sort of gallery on a later page.

If a picture kicks back results from only escort sites, we would consider it not to be stolen. Examples are:

anycity.backpage.com escortsinthe.us escortphonelist liveescortreviews wizads bodyrublist escortphonesearch myproviderguide backpagesluts myscarletbook erslist

If a picture kicks back results from the following sites, consider them to be stolen:

motherless imagefap theChive pinterest weheartit deviantart modelmayhem

Alcor

Categorized forum boards, facebook groups, or blogs (Ex: Girls Smoking on Tumblr, Sexy Latinas on Facebook, Hot Ebony Chick Thread)

Multiple users in an ad:

If there are multiple escorts in an ad, you may not think all of them look young. As long as the pictures of the person or persons you want to report are not stock and have not been reported before, you can report the ad. In this case you must be specific as to which user you are reporting by description of their clothes or hair.

Examples:

Backpage.com moderator, bp101, feels the persons in this ad look young. (If all persons look young)

Backpage.com moderator, bp101, feels the person in this ad wearing the red top looks young. (If a specific person looks young)

### NCMEC ABUSE:

PLEASE NOTE: Only report emails in Abuse that actually seem legitimate. Personal information such as names, addresses, other detailed information about the escort, and pictures that possibly depict an actual minor are a few things to look for. If you need help, ask a supervisor.

Abuse involves reporting ads that have been emailed to us by users who claim the ad promotes child exploitation. There is decision making involved based on many different situations. It is important to pay attention to wording, as sometimes a user's claim can be interpreted in a manner they didn't intend. To avoid that, don't over think.

* Always search the emailer's address in the search box in bp-abusc@. This will help determine whether or not we should report the ad in question, as they could be spamming us. (If you do a search of their address and they've been sending us lots of emails, check the Spam List (aka Ignore List) to keep from doing extra work).

## Examples of Child Exploitation complaints:

- "This escort is underage or goes to my child's high school."
- "This girl told me she was a minor."
- "This escort services minors."
- "This escort offers minors for service."
- "This is human trafficking involving a minor." or if the subject of the email is "Child Exploitation Report" and the email says "This is human trafficking."
- "This escort is a runaway." (Implied minor)
- "This girl is in danger/this is abuse." (Implied minor by submitting Child Exploitation Report)
- "This escort is my underage daughter/son/sister/brother." (See Escalations)
- "I am a minor being exploited in an ad." (See Escalations)

# Examples of non-CE complaints (with no other references to exploitation):

- "This escort has a pimp/robbed me/didn't provide service."
- "This escort had a child at the house/in the room/in the car outside." (Send any mention of a child present to Joye or Andrew)
- "This escort has stolen my pictures/is using my phone number."
- "This escort has stolen an underage person's photos."
- "This is human trafficking and she's a thief."
- The subject of the email is something other than "Child Exploitation Report" and the email says
- "This is human trafficking." (Report if they look young)
- -"I know this person, her parents are looking for her."/"This escort is my daughter/son/sister/brother." (Without CER subject or "underage", ask first. If you feel the person looks young, make a report based on your opinion.)
- "This escort is pregnant."

### EMAILS WITH NO COMMENT

As of 01.20.14 (per Andrew):

Here's a new, cleaner way to handle CERs in hp-abuse@ that contain no additional info and don't seem related to an actual child:

If you have information regarding the exploitation of a minor please contact the National Center For Missing And Exploited Children at http://www.missingkids.com/cybertipline/.

---- You can start sending this template when users report ads to bp-abuse@ that we wouldn't normally report on our own, i.e. an ad which has no perceptible association with child exploitation. If they do bring something to our attention that seems valid, follow the old protocol and report it for them. (We call this the DIY template)

Pay attention to ads sent in without a comment. Despite no explanation, the ad could have something inappropriate in it. hence why they sent it in.

- * It isn't necessary to spam users with the template. If you've already sent it to them regarding the same escort, once is enough.
- * If an escort in an ad has been reported by us for "looking young" and an email with no comment comes in about the same ad, ask about it before you report again.

# ESCALATIONS

Escalating allows the NCMEC to expedite our reports to law enforcement so that case can be handled faster. We do this when

- users claim their underage immediate family member is being exploited
- users claim they are a minor being exploited
- a moderator has found an extremely suspicious ad. In this case, you would forward the ad to Joye or Andrew for instruction.
- * Immediate family means the user must claim that the escort is their underage daughter, son, sister, or brother. Noice, nephow, grandchild, cousin, etc. doesn't count. If an emailer says "This is my daughter/son" without specifying the escort is underage, it would be okay to report and escalate if the escort looks young and the subject line of that email says "Child Exploitation Report".

- * In some cases, there may be fishy circumstances in which we may choose not to escalate. For example, an emailer may say the escort in the ad is their daughter, but they have previously reported another escort as their daughter. It is best to ask a supervisor if unsure about a seemingly illegitimate claim.
- * Always forward escalations from bp-abuse@. Never forward from any other email address.
- * We usually don't escalate reports at a later date. If the opportunity is missed, NCMEC will still receive the report and forward it to law enforcement.
- * We usually don't escalate "step-child" unless the circumstances look really bad, for example the person looks really young or the complaint seems legitimate.

## THINGS TO REMEMBER:

Accounts: Don't report ads for a reason they've already been reported for.

Templates: Use the appropriate response templates when sending reports. Make sure all information in the templates are complete. This includes making sure the entire response template is present, that the email address or BP# is correct, and the entire comment from a user is included.

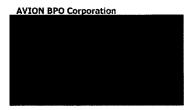
Slander ads: We normally don't report ads that accuse users of being thieves, prostitutes, etc. If unsure about a slander ad, ask a supervisor before ignoring or reporting.

From: Sent: To: Subject:	Cody Backpage Tuesday, March 15, 2016 11:23 PM Desiree Backpage Re:
Ok, quickie is ok to l	eave even with a price. Going forward let's leave these ads live.
Thanks!	
On Mar 15, 2016, at	4:03 PM, Desiree Backpage wrote:
is this okay?	
Tyeshia had s On Tue, Mar	15, 2016 at 5:58 PM, Desiree Backpage and the Quickie with a price was still removable. So I removed it for quickie.  15, 2016 at 5:56 PM, Cody Backpage wrote:  you remove this ad?
, may may are	
	backpage.com/stlouis/online/classifieds/EditAd?oid=19909779&id=www- .1b3724dd1d9e41a616b6-1457558113
Desiree	
	et in a growth to
Desiree	
	1 App.000418

From: Sent: To: Cc:	Cody Backpage Friday, March 25, 2016 4:46 i d Joye Backpage; Andrew Back		ge
Subject:	Re: Allowed Terms		
Hi Darwin,			
You can ad 'Lolli	pop' to the list of terms that are allo	wed, could you let your crew kno	x?
Thanks,			
On Wed, Mar 16, Hi Darwin,	2016 at 7:25 AM, Cody Backpage	wrote:	
I've identified a fo	ew more terms that are allowed but	your team is removing. Thanks.	
PSE (porn star ex Porn Star	perience)		
Full Pleasure Full Satisfaction Full Hour			
Forward	ed message		
From: Andrew B	ackpage	I	
Subject: Fwd: Al	5, 2016 at 4:03 PM lowed Terms		
To: Cody Backpa	ge		
_			
From: Andrew B	ed message		
Date: Fri, Nov 13 Subject: Re: Allo	, 2015 at 10:59 AM	<del></del>	
To: Joy Nagasan			
Cc: Joye Backpag	ge "e.	Darwin ,"	Jeff
1111	, "Joella	Von	3611
Hi Joy,			
I'd like to add the	it we also don't think anyone on you	r crew is doing a had job. Their n	erformance has been
fantastic.	we also don't mink anyone on you	r crew is doing a bad job. Then p	errormance has occil

We're just adding to the training as we go.

Andrew
On Fri, Nov 13, 2015 at 10:55 AM, Joy November 10:55 AM, Joy Novembe
Thanks! That would help us a lot once you encounter it next time.
Joy N
AVION BPO Corporation
From: Jove Backpage To: Jov Cc: Danvin. Joelia Joelia Von fandrew Sent: Saturday, November 14, 2015 12:44 AM Subject: Re: Allowed Terms
Hi Joy,
I don't have the user info on these terms or pictures saved. I will save that information the next time it happens and share some examples with you.
Thank you Joye
On Fri, Nov 13, 2015 at 10:29 AM, Joy wrote:
Good day.
Could you please send us the names of those that have deleted these ads also with the email you've sent before with the pictures? This is to retrain the agents and for us to create a manual.
Thanks,
Joy COO







Hello,

Here is a list of words that seem to be confusing the moderators. These words are not on the banned list and should not get an ad removed. Please pass this along to your adult moderators.

delicious naughty horny tease nuru 2 girl 4 hand massage BODY2BODY pleasing pleasure

slippery explicit body to body milf

chocolate mistress

submissive freak

seductive

420 nude

hung

red head

ddf

3

sensual cum ride juicy

```
From: Devyn Backpage
Sent: Friday, March 25, 2016 4:59 PM
To: Cody Backpage
Re:

Got it

Sent from my iPhone

> On Mar 25, 2016, at 9:52 AM, Cody Backpage

> We are no longer removing ads for 'GFE' or 'PSE'.

> Thanks,
> Cody
```

1

From:

Sunday, April 24, 2016 5:40 AM

Sent: To:

Joye Backpage

Cc:

cody

Subject:

Re: Violation Queue

Helio Joye,

I guess it is best to retrain them again with regards to removing/approving ads. Just let me know when will be your best

Regards, Darwin

From: Joye Back

Cc: cody

Sent: 23 April 2016, Subject: Re: Violation Queue 23 April 2016, 2:32

Hi Darwin,

Here are some more that were removed in error. I can't figure out why they were removed. Can you ask the moderators why they were deleted please? Maybe they need to be retrained. Let me know.

https://site1a.backpage.com/jacksonville/FemaleEscorts/ftish-and-fanay-prostate-massage-sensual-relaxation-and-more-toys-available/9190539 deleted by avio3

https://site1a.backpage.com/southbend/FemaleEscorts/2-girls-walk-run-what-ever-just-get-here-now-2girl-bananza/8631325 deleted by avio1

https://site1a.backpage.com/lexington/BodyRubs/lets-relax/10496665 deleted by avio1

https://site1a.backpage.com/huntington/FemaleEscorts/im-everything-your-looking-for-and-more/5555685 deleted by avio6

https://site1a.backpage.com/elpaso/FemaleEscorts/my-mouth-says-i-am-the-best-at-gys-on-special-this-week-30-incall-safe-clean-private-discrete/10756627 deleted by avio6

https://site1a.backpage.com/losangeles/FemaleEscorts/bitcoin-buy-bitcoin-in-los-angeles/63067030 deleted by avio6

https://site1a.backpage.com/athensga/FemaleEscorts/come-see-medrippinbeautiful-ebonyvixensexy-big-bootyinsanemouth-game-try-me/38220077 deleted by avio6

https://site1a.backpage.com/philadelphia/FemaleEscorts/kiesha/28440845 deleted by avio6

https://site1a.backpage.com/queens/FemaleEscorts/why-we-no1-in-astoriacome-and-taste-sexy-asian-body-100-real-pic/77618479 deleted by avio3

https://site1a.backpage.com/eastbay/FemaleEscorts/4080180-ever-u-wn-fnd-nhng-br-4080180/32509634 deleted by avio6

https://site1a.backpage.com/orangecounty/FemaleEscorts/calis-1-mouth-therapist-highly-addictive/63857098 deleted by avio6

 $\label{lem:https://site1a.backpage.com/seattle/FemaleEscorts/grade-a-hottie-5-star-treatment-lola-belle-back-intown-escape-to-paradise-with-me/27406421$ deleted by avio6

https://site1a.backpage.com/winnipeg/FemaleEscorts/tiny-cutie/2830031 deleted by avio6

https://site1a.backpage.com/brooklyn/BodyRubs/new-super-happy-asian-massage-body-to-body-347-988-8873/47317010 deleted by avio1

https://site1a.backpage.com/eastbay/MaleEscorts/nude-sexual-body-massage/33125416 deleted by avio1

 $\underline{https://site1a.backpage.com/sacramento/TranssexualEscorts/ts-mica-ong-dropdeadgorgeous/10349226}$ deleted by avio6

https://site1a.backpage.com/toronto/BodyRubs/massage-at-touch-of-silk/35682813 deleted by avio6

https://site1a.backpage.com/lasvegas/FemaleEscorts/sweet-petite-lil-macey/12071874 deleted by avio1

 $\frac{https://site1a.backpage.com/bellingham/Domination/i-am-mistress-new-on-bp-and-seeking-humble-loval-and-obedient-slave-to-worship-and-pleased-me/27407540$ deleted by avio1

https://site1a.backpage.com/palmsprings/FemaleEscorts/yuv-y-th-rest-nw-ce-th-bestsecfillinbttr-tanhrnd-r/69738669 deleted by avio1

2

https://site1a.backpage.com/albany/FemaleEscorts/beautiful-blonde-any-desirefetish-okay-nicebooty/19884718 deleted by avio2 https://site1a.backpage.com/longbeach/FemaleEscorts/c a n- y- o -u- -h a n- d- i- -e- m e/64368001 deleted by avio2 https://site1a.backpage.com/cedarrapids/MaleEscorts/lets-play-only-real-replies-only/10103742 deleted by avio2 https://site1a.backpage.com/spokane/FemaleEscorts/hey-guy-im-ready-to-make-you-very-happy/27407639 deleted by avio2 https://site1a.backpage.com/easternnc/FemaleEscorts/botanical-bootiful-butterfly/27971276 https://site1a.backpage.com/greenbay/FemaleEscorts/sexy-italian-bombshell-goodmorning/15493920 deleted by avio2 https://site1a.backpage.com/erie/FemaleEscorts/sexy-young-and-kinky-80-specials-all-daylong/30946986 deleted by avio2

https://site1a.bac  $\frac{\text{https://site1a.backpage.com/wichita/FemaleEscorts/80-special-sweet-intelligent-bbw/8412501}{\text{deleted by avio2}}$ https://site1a.backpage.com/maine/FemaleEscorts/come-play-with-me-ull-be-glad-u-did/4601771 deleted by avio2 https://site1a.backpage.com/thunderbay/FemaleEscorts/dirty-kattey/37608290 deleted by avio2 On Tue, Apr 19, 2016 at 6:46 PM, <d > Hi Joye, > Thank you for the information, I will cascade it to the team immediately. > Regards. > Darwin

3

```
> Sent: Wednesday, 20 April 2016, 3:15
> Subject: Violation Queue
> Hi Darwin,
> Please share these with the violation queue moderators. These ads
> were all removed from the violation queue in error. We have restored
> them:
> https://site1a.backpage.com/lasvegas/FemaleEscorts/attention-travelers-why-choose-asian-fiery-
flight-attendant/18114228
> deleted by avio6
> https://site1a.backpage.com/kamloops/BodyRubs/250-819-2232-avail-daily-3pm-3am-full-body-
tension-release-body-slide-nuru-erotic-and-deep-tissue/9602076
> deleted by avio1
> https://site1a.backpage.com/kamloops/FemaleEscorts/spring-fever-250-819-2232-let-me-help-youget-spring-sprung-get-naughty-with-nikki/9887145
> deleted by avio3
> https://site1a.backpage.com/lasvegas/TherapeuticMassage/3530min-full-body-massage-lovely-
young-girls/12616675
> deleted by avio6
> https://site1a.backpage.com/nova/FemaleEscorts/giannaplatinumblondie-real-reviewed5service-
enjoy-quality-dont-settle-4-less/22690742
> deleted by avio6
> https://site1a.backpage.com/lasvegas/TherapeuticMassage/angels-touch-body-spa2hr-special-100-
deeptissue90min-100free-scrub-table-shower-waxing/11158322
> deleted by avio6
> https://site1a.backpage.com/flagstaff/FemaleEscorts/now-hiring/38899712
> deleted by avio4
> https://site1a.backpage.com/sanjose/MaleEscorts/helplatinboy/34249441
> deleted by avio4
> https://site1a.backpage.com/nwct/FemaleEscorts/60/11678858
> deleted by avio2
> https://site1a.backpage.com/minneapolis/FemaleEscorts/early-morning-delight/16371613
> deleted by avio2
> https://site1a.backpage.com/baltimore/FemaleEscorts/80-car-visit-come-pick-me-up-30-mins-of-
ecstacy/13609570
> deleted by avio2
> https://site1a.backpage.com/orlando/FemaleEscorts/afternoon-fun/13827203
```

App.000427

```
> deleted by avio2
> https://site1a.backpage.com/windsor/MaleEscorts/new-to-windsor/37985918
> deleted by avio2
> https://site1a.backpage.com/oklahomacity/FemaleEscorts/t o t a I - e c s t a c y/10110169
> https://site1a.backpage.com/butte/FemaleEscorts/2-is-better-then-one/4136692
> deleted by avio1
> https://site1a.backpage.com/calgary/FemaleEscorts/stella-new-in-town-1st-time-in-ca-lgary-17053029093/13305051
> deleted by avio1
> https://site1a.backpage.com/albany/BodyRubs/body-rubs-by-summer/20819405
> deleted by avio1
> https://site1a.backpage.com/columbia/FemaleEscorts/driver/13733004
> deleted by avio1
> https://site1a.backpage.com/kc/MaleEscorts/down-for-watever-long-as-u-got-tha-casssh/20494410 > delted by avio6
> \underline{\text{https://site1a.backpage.com/ftlauderdale/FemaleEscorts/outcall-ready-for-fun-9545496257-call-or-text-slim/39147043}
> deleted by avio6
> https://site1a.backpage.com/greenbay/FemaleEscorts/100real-and-independent-all-me-or-its-
free/12859554
> deleted by avio6
```

From: Sent:

d Wednesday, April 20, 2015 12:46 AM

To: Cc: Subject: Joye Backpage cody Re: Violation Queue

Hi Joye,

Thank you for the information, I will cascade it to the team immediately.

Regards, Darwin

From: Joye Backpage To: Darwin Cc: cody

Sent: Wednesday, 20 April 2016, 3:15 Subject: Violation Queue

Hi Darwin,

Please share these with the violation queue moderators. These ads were all removed from the violation queue in error. We have restored them:

https://site1a.backpage.com/lasvegas/FemaleEscorts/attention-travelers-why-choose-asian-fiery-flight-attendant/18114228 deleted by avio6

https://site1a.backpage.com/kamloops/BodyRubs/250-819-2232-avail-daily-3pm-3am-full-bodytension-release-body-slide-nuru-erotic-and-deep-tissue/9602076 deleted by avio1

https://site1a.backpage.com/kamloops/FemaleEscorts/spring-fever-250-819-2232-let-me-help-youget-spring-sprung-get-naughty-with-nikki/9887145 deleted by avio3

 $\underline{ https://site1a.backpage.com/lasvegas/TherapeuticMassage/3530min-full-body-massage-lovely-young-girls/12616675}$ deleted by avio6

https://site1a.backpage.com/nova/FemaleEscorts/giannaplatinumblondie-real-reviewed5serviceenjoy-quality-dont-settle-4-less/22690742 deleted by avio6

https://site1a.backpage.com/lasvegas/TherapeuticMassage/angels-touch-body-spa2hr-special-100-deeptissue90min-100free-scrub-table-shower-waxing/11158322 deleted by avio6

App.000429

https://site1a.backpage.com/flagstaff/FemaleEscorts/now-hiring/38899712 deleted by avio4

https://site1a.backpage.com/sanjose/MaleEscorts/helplatinbov/34249441 deleted by avio4

https://site1a.backpage.com/nwct/FemaleEscorts/60/11678858 deleted by avio2

https://site1a.backpage.com/minneapolis/FemaleEscorts/early-morning-delight/16371613 deleted by avio2

https://site1a_backpage_com/baltimore/FemaleEscorts/80-car-visit-come-pick-me-up-30-mins-of-ecstacy/13609570 deleted by avio2

https://site1a.backpage.com/orlando/FemaleEscorts/afternoon-fun/13827203 deleted by avio2

https://site1a.backpage.com/windsor/MaleEscorts/new-to-windsor/37985918 deleted by avio2

https://site1a.backpage.com/oklahomacity/FemaleEscorts/t o t a i - e c s t a c y/10110169 deleted by avio2

https://site1a.backpage.com/butte/FemaleEscorts/2-is-better-then-one/4136692 deleted by avio1

https://site1a.backpage.com/calgary/FemaleEscorts/stella-new-in-town-1st-time-in-ca-lgary-17053029093/13305051 deleted by avio1

https://site1a.backpage.com/aibany/BodyRubs/body-rubs-by-summer/20819405 deleted by avio1

https://site1a.backpage.com/columbia/FemaleEscorts/driver/13733004 deleted by avio1

https://site1a.backpage.com/kc/MaleEscorts/down-for-watever-long-as-u-got-tha-casssh/20494410 delted by avio6

https://site1a.backpage.com/ftlauderdale/FemaleEscorts/outcall-ready-for-fun-9545496257-call-or-text-slim/39147043 deleted by avio6

https://site1a.backpage.com/greenbay/FemaleEscorts/100real-and-independent-all-me-or-its-free/12859554 deleted by avio6

From: Sent:

darwin Thursday, August 04, 2016 1:47 AM Joye Backpage

To: Cc: Subject:

Hì Darwin,

I was looking over the report for the AVPH moderators. Can you ask them to not use the phrase "promoting sex" they should say "adult ad"  $\,$ 

instead. There is a oig difference.

Also- these ads are being removed and they're fine. Please ask the

AVPH moderators to stop deleting them.

https://site1a.backpage.com/pennsylvania/WantedTrade/trade-my-handman-skills-for/33168594

(there is nothing wrong with this ad)

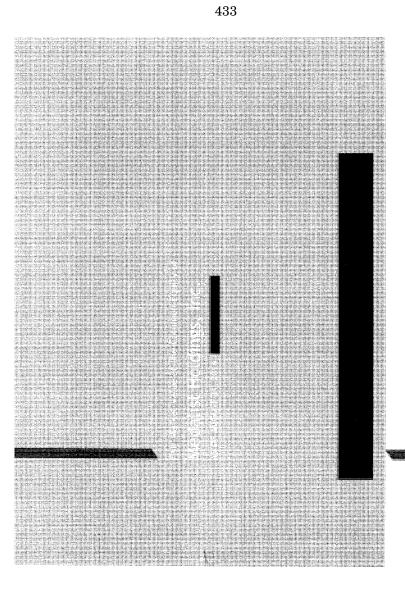
https://site1a.backpage.com/alberta/ClothingForSale/used-panties/14249356

(this is in the "clothing for sale" category, so it's fine)

Are you the supervisor for the AVPH moderators? You'll start to get more feedback from Maria about the AVPH moderation reports, can you start coing her on those report emails daily as well please?

Thank you Joye

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> On Jul 28, 2011, at 10:04 AM, Jim Larkin wrote:
> CF:
>> I want you to think about any of the information in this being made
>> public.
>> We need to stay away from the very idea of "editing" the posts, as
>> you know.
>> I want to be certain that you are comfortable with the revelation
>> of the security items.
>> And the general tone. I'll call in a few minutes.
>> Larkin
>>
>> <BackPage understood.doc>
```





At your request, was retained to assist with estimating the fair market value of common stock (the "Subject Interest") of Medalist Holdings, Inc. ("Medalist", or the "Company"), as of August 31, 2014 (the "Valuation Date") on a minority, non-marketable interest basis.

We understand that the valuation is required to provide an independent fair market value analysis of the Subject Interest for tax planning purposes. No other use is intended or should be inferred.

A summary of the valuation analysis is presented in the accompanying report, as well as the description of the methodologies and procedures we used, and the factors we considered in formulating our opinion. In addition, we have listed the sources of information used in this report and the scope of work in the course of our investigation, noting any limitations on our opinion.

This report is subject to the attached limiting conditions and to all terms and conditions in our engagement letter ("Agreement") for this assignment.

Based on our analysis, it is our opinion that the estimated fair market value of the common equity on a minority, non-marketable interest basis, is reasonably represented as follows:

#### \$355,626,100

THREE HUNDRED FIFTY-FIVE MILLION, SIX HUNDRED TWENTY-SIX THOUSAND, ONE HUNDRED DOLLARS

OR

\$3,560,000 Per 1% Interest (rounded)

Respectfully submitted,



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## ENGAGEMENT OVERVIEW

#### DESCRIPTION OF THE ASSIGNMENT

was retained to assist with estimating the fair market value of common stock (the "Subject Interest") of Medalist Holdings, Inc. ("Medalist", or the "Company"), as of August 31, 2014 (the "Valuation Date") on a minority, non-marketable interest basis.

We understand that our analysis will be used by Medalist's management ("Management") for tax planning purposes. No other use is intended or should be inferred.

For purposes of the common stock valuation, the standard of value is fair market value, defined in IRS Revenue Ruling 59-60 as:

"The price at which the subject shares would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of relevant facts."

The procedures we followed are consistent with the principles set forth in Revenue Ruling 59-60 regarding the valuation of closely held companies. We considered the factors set forth in this ruling as well as other generally accepted factors including, but not limited to, the following:

- the nature of the Company, the risks to which it is subject, its historical patterns of growth, and future considerations;
- the general economic outlook, the position of the industry in the existing economy, and the position of the Company within its industry;
- the book value and general financial condition of the Company;

- · the dividend-paying capacity of the Company;
- · the earnings history and earnings capacity of the Company;
- the Company's assessment of future growth and performance;
- the existence of undervalued tangible and intangible values:
- any recent sales of the Company's stock and the size of the block or blocks of stock to be valued;
- the market price of stocks or assets of companies engaged in related activities where such stocks are traded on an exchange or over-the-counter; and,
- other facts and circumstances judged to be important to the overall value conclusion.

Furthermore, since Medalist is ongoing business concern, we have valued it under "in continued use" premise.

#### SOURCES OF INFORMATION

In connection with this report, we have made such reviews, analyses, and inquiries as we have deemed necessary and appropriate under the circumstances. Among other things, we have:

- had discussions with Management regarding the operations, financial condition, future prospects, and projected operations and performance of the Company;
- · reviewed historical financials;
- reviewed forecasts, projections and other relevant documents provided by the Company; and,
- reviewed certain other documents and information, including:

- "2014 Yaluation Handbook Guide to Cost of Capital" published by Duff and Phelps;
- Capital IQ Financial Database;
- National Economic Review;
- IBISWorld Industry Reports Internet Publishing and Broadcasting Industry and E-Commerce & Online Auctions Industry,
- Mergerstat Review 2014;
- US Department Bureau of Labor Statistics National Industry-Specific Occupational Employment and Wage Estimates: NAICS 511200 - Software Publishers, NAICS 519100 - Other Information Services; and,
- "Almanac of Business and Industrial Financial Ratios" - Database, Directory, and Other Publishers (511145), Software Publishers (511210), and Other Information Services, Internet Publishing, Web Portals (519100).

We also reviewed certain other publicly available financial data for companies deemed comparable to Medalist; and conducted such other studies, analyses, and inquiries as we have deemed appropriate.

## COMPANY OVERVIEW

Medalist through its subsidiaries provides internet based classified advertising listing service. The Company was previously known as Village Voice Media Holdings, LLC and changed its name after the sale of certain subsidiaries engaged in newspaper publishing business in November 2012. Based on the terms set forth in the Membership Interest Purchase Agreement, dated November 8, 2012, the purchase consideration included a promissory note of \$27.0 million and the additional earn-out payments of up to \$10.0 million based on the performance metrics plus an interest rate of 12.0 percent compounded annually.

Camarillo Holdings, LLC ("Camarillo") is a wholly-owned subsidiary of the Company and is a parent company of Backpage.com, LLC ("Backpage.com"). Backpage.com was launched in March 2004 as a provider of online communities for user-generated content. Backpage.com is a group of free community classified internet web sites with active domains across the U.S. and internationally, which allows users to post classified ads for a fee or free depending on the category. The classified listing categories include automotive, job listings, real estate, business services, buy/sell/trade, dating/personals and community forums.

Backpage.com is a second largest U.S. based classified advertisements website after Craigslist, Inc. ("Craigslist"). Craigslist has a much larger user base and has been ranked the 36th most used website in the internet worldwide and it takes 10th position in the U.S., while Backpage.com was ranked 679th worldwide and 157th in the U.S. according to alexa.com.

We also understand that Backpage.com has been under scrutiny and involved in various lawsuits due to the nature of the advertisements posted within the adult services sections.

Craigslist was a subject to similar negative publicity previously and although federal law protects Craigslist and similar internet web-based platforms under the Communications Decency Act (CDA) of 1996 against liability for the context users post on the web-sites, Craigslist decided to discontinue those ads and related sections back in September 2010.

## Capital Structure and Ownership

The table below summarizes the Company's ownership as of the Valuation Date:

Shareholder Name	% Ownership
Michael G. Lacey	45.12%
James A. Larkin	42.76%
John E. Brunst	5.67%
Scott Spear	4.09%
Troy Larkin	1.18%
Ramon Larkin	1.18%
Total	100.0%

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#### FINANCIAL STATEMENT ANALYSIS

#### Income Statement Analysis

For the fiscal year ended ("FYE") December 31, 2013, Medalist's total net revenue approximated \$112.7 million representing an increase of approximately 58.2 percent over the fiscal year ("FY") 2012 total net revenue of \$71.2 million.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") before corporate expense allocations increased in FY 2013 to S86.7 million from FY 2012 levels of S52.7 million and the EBITDA margins were approximately 77.0 percent in FY 2013 and 74.0 percent FY 2012. Allocated corporate expenses were approximately \$7.7 million in FY 2012 and \$33.4 million in FY 2013 and reflected 11.0 percent and 30.0 percent of net revenue in FY 2012 and FY 2013, respectively. The depreciation expense was \$721,800 in FY 2012 and \$496,600 in FY 2013, or approximately 1.0 percent and 0.4 percent of net revenue, respectively.

Earnings before interest and taxes ("EBIT") increased in FY 2013 to \$52.8 million from FY 2012 levels of \$44.3 million and the EBIT margins were approximately 47.0 percent and 62.0 percent in FY 2013 and FY 2012, respectively.

#### **Balance Sheet Analysis**

As of the Valuation Date, Medalist's total assets were approximately \$67.1 million. Current assets totaled \$32.2 million (47.9 percent of total assets) and were comprised of cash (\$20.5 million), accounts receivable (\$11.4 million), and other current assets (\$261,900).

The Company's long-term assets included net property plant and equipment ("PPE") of approximately \$2.2 million, long-term note

receivable of \$32.5 million which relates to the sale of the newspaper subsidiaries in FY 2012, and other long-term assets of \$204,800.

On the liability side of the balance sheet, current liabilities were approximately \$6.2 million (9.3 percent of total liabilities and equity) and consisted of accounts payable (\$182,400), accrued expenses (\$4.8 million) and other current liabilities (\$1.2 million). The Company's long-term liabilities included long-term debt of approximately \$15.7 million. Book value of shareholder's equity was approximately \$45.2 million as of the Valuation Date.

Please refer to Schedule 3 for the presentation of the historical balance sheets.

### Financial Outlook

Management provided financial forecast for the period from FY 2014 through FY 2019. Total net revenue is projected to increase by approximately 19.8 percent in FY 2014 to \$135.0 million. Net revenues are then estimated to grow at a rate of 3.9 percent in FY 2015, 5.0 percent in FY 2016 and 3.0 percent thereafter.

EBITDA before corporate expense allocations is forecasted to be approximately \$116.0 million in FY 2014, \$120.4 million in FY 2015, \$126.3 million in FY 2016, \$129.8 million in FY 2017, \$133.4 million in FY 2018 and \$137.1 million in FY 2019, with the EBITDA margins ranging from 85.1 percent to 85.9 percent over the forecasted period.

## Adjustments

#### Income Statements

As part of our analysis and based on our discussions with Management, the forecasted operating expenses were further reviewed to include adjustment related to Officers' compensation reflected within expenses at the corporate level. Officers' compensation expense was normalized based on the difference between the actual Medalist's Officers' compensation expense (wages and bonuses) and the observed market based compensation levels for Chief Executive Officers in the following industries:

- Database, Directory, and Other Publishers Industry (NAICS: 511145).
- Software Publishers Industry (NAICS: 511210), and;
- Other Information Services, Internet Publishing, and Web Portals Industry (NAICS: 519100).

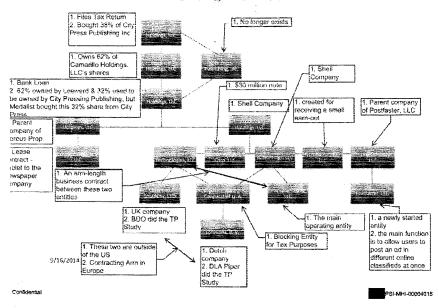
The Officer's compensation data for the above industries was based on the information published in the *Almanac of Business and Industrial Financial Ratios*, which provides financial performance metrics for the U.S. and international companies based on the IRS data, and serves as a benchmark for evaluating an individual company's financial performance. Based on our observations, a normalized level of Officers' compensation ranged from approximately 4.0 percent to 8.0 percent of net revenue, with the overall average and median of approximately 6.5 percent and 5.0 percent, respectively.

We also reviewed the levels of Officers' compensation as a percent of net revenue reported by the selected public guideline companies with the net revenue less than \$300 million for FY 2013. The levels of Officers' compensation ranged from approximately 2.2 percent to 16.8 percent of net revenue, with the observed average and median of approximately 8.0 percent and 7.7 percent, respectively.

Based on the results of our observations, a normalized level of Officers' compensation was selected at 7.0 percent of net revenue.

Payroll taxes were adjusted accordingly to account for the differences between the actual and adjusted Officers' compensation levels. Please refer to Workpaper 1 for detailed calculations. Please also refer to Schedule 2 for the presentation of the adjusted historical and projected income statements.

# **Medalist Holdings and Subsidiaries**



App.000441

## SERVICES AGREEMENT

THIS AGREEMENT (this "Agreement") is dated and effective as of December 20, 2012 (the "Effective Date"), by and between Backpage.com, LLC, a Delaware limited liability company (the "Recipient Company") and Website Technologies, LLC, a Delaware limited liability company (the "Provider Company").

## **BACKGROUND**

WHEREAS, The Recipient Company is engaged in the business of providing an internet portal allowing users of the Backpage.com website to offer, sell, buy or exchange a wide range of goods and services, offer and seek employment, promote events, and list other classified advertisements categorized by type and geographic location (the "Business");

WHEREAS, the Provider Company is engaged in the business of providing certain logistical and administrative services, including web development, information technology infrastructure and support, business development, marketing and customer acquisition, finance and accounting, banking relations, content and ad moderation, vendor and customer relationship management and related areas and services; and

WHEREAS, the Recipient Company and the Provider Company desire to set forth their agreement with respect to the reimbursement of costs and expenses for such services provided by the Provider Company to the Recipient Company;

## **AGREEMENTS**

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

## ARTICLE 1. ARTICLE 1. DEFINITIONS

- 1.1 "Accounting Period" means a calendar year.
- 1.2 "Services" means any of the activities described in Article 3 of this Agreement, provided by the Provider Company to the Recipient Company and paid for in accordance with the terms of this Agreement.
- 1.3 "<u>Special Services</u>" shall mean any services not specifically governed by nor included in this Agreement and for which a separate agreement (oral, written or otherwise) may be entered into from time to time between the Recipient Company and the Provider Company.

## ARTICLE 2. ENGAGEMENT OF COMPANIES

- 2.1 <u>Rendition of Services</u>. The Provider Company agrees to render Services to the Recipient Company on an ongoing basis without any further specific request(s) (except as otherwise provided herein) from the Recipient Company.
- 2.2 <u>Special Services</u>. In addition to Services, Special Services may be requested from time to time by the Recipient Company and the Provider Company may, in its sole discretion, undertake to reasonably comply with such requests.
- 2.3 <u>Coordination</u>. Appropriate personnel of the Provider Company and the Recipient Company shall confer with each other and with third parties as appropriate to maximize the effectiveness of the Services provided to the Recipient Company under this Agreement.

# ARTICLE 3. DESCRIPTION OF SERVICES

- 3.1 Services. The Provider Company shall, using its own employees and facilities and, except as provided herein, at its own cost, perform from time to time, where appropriate, the Services set out in this Section 3.1 for the benefit of the Recipient Company.
  - A. General Business Services. The Provider Company shall:
- 1. Provide such general executive, economic and business advice and direction as may be appropriate from time to time.
- Consult with the Recipient Company and provide advice on all systems development matters and develop such other policies and Business systems as may be appropriate from time to time.

- Observe developments in the market place and compile data on the Business and competitors and publish the results for the Recipient Company.
- 4. Provide information from time to time with respect to taxes, tariffs, and other governmental rules and regulations relating to the Business.
- 5. Compile and disseminate information about the performance of the Recipient Company, its competitors and other industries.
- 6. Develop, maintain and coordinate vendor relationships for the benefit of the Recipient Company.
- B. <u>Marketing and Customer Acquisition</u>. The Provider Company shall.
- 1. Develop and implement marketing and customer acquisition strategy for the Recipient Company, including through evaluation and analysis of the metrics and data to be provided pursuant to Section 3.1(A)(3).
- 2. Develop, maintain and coordinate third-party marketing, public relations and advertising partner relationships as needed to assist with implementation of the Recipient Company's marketing and customer acquisition strategy
- Periodically assess customer acquisition and marketing objectives and benchmarks and provide recommendations to improve performance of the Recipient Company.
  - C. <u>Financial Services</u>. The Provider Company shall:
- 1. Engage in banking negotiations and implement, arrange for, or change, where appropriate, central credit facilities for the benefit and on behalf of the Recipient Company.
- Render advice with respect to financing possibilities (such as credit facilities, leasing, factoring, and discounting) which may be available to the Recipient Company.
- 3. Arrange insurance coverage for the Recipient Company.
- 4. Establish and maintain procedures and render advice with respect to all debt collection matters and credit policies used by the Recipient

Company, including the coordination, collection and payment, as applicable, of accounts receivable and accounts payable.

- 5. Coordinate, collect and pay, as applicable, the Recipient Company's accounts receivable and accounts payable.
- 6. Maintain an account of payments received by the Provider Company on behalf of the Recipient Company (the "<u>Custodial Account</u>"), and periodically distribute the proceeds of such account to a bank account designated by the Recipient Company, at such times and in such amounts as directed by the Recipient Company, subject to the provisions of Section 5.1 hereof.
- 7. Review, adjust and render assistance with the preparation of the Recipient Company's budgets and forecasts.
- Develop financial systems which are compatible with existing systems of the Recipient Company, including matters of internal procedure and control.
- 9. Prepare and mail invoices on a periodic basis for or on behalf of the Recipient Company.
- D. <u>Information Systems Services and Website Management.</u>
  The Provider Company shall:
- 1. Give advice on the operation of all information systems used by the Recipient Company.
- Develop data processing systems for the Recipient Company, including the selection, development and operation of computer equipment and software.
- 3. Arrange for the design and implementation of new or modified data processing systems for the Recipient Company.
- 4. Provide system support to the Recipient Company, including without limitation, server maintenance in support of website operations, call centers, outside sales force, finance and accounting, traffic management and content management.
- 5. Develop, maintain and manage internet websites for the Recipient Company.

- 6. Moderate advertisements, posts, comments and content uploaded to or transmitted through the websites of the Recipient Company by its users.
- 7. Facilitate electronic communications with business partners of the Recipient Company.

# ARTICLE 4. PAYMENT TO THE PROVIDER COMPANY FOR SERVICES RENDERED TO THE RECIPIENT COMPANY

- Payment. In consideration of the Services to be rendered by the Provider Company to the Recipient Company under this Agreement, the Recipient Company agrees to pay to the Provider Company the fees (the "Fees") enumerated in this Section 4.1.
- A. Service Fee. In consideration for the Services provided by the Provider Company hereunder, the Recipient Company agrees to pay to the Provider Company a fee (the "Service Fee") calculated in accordance with Schedule 4.1 hereto, and at the times and in the manner provided in Article 5 hereof.
- B. Reimbursement Fees. In consideration for the development, maintenance and coordination of third party relationships hereunder, the Recipient Company agrees to pay to the Provider Company reimbursement fees (the "Reimbursement Fees") to completely offset the direct costs ("Direct Costs") of goods and Special Services (i.e., services not enumerated in Sections 3.1 hereof), whether or not associated with Services provided hereunder, obtained by or on behalf of the Recipient Company from a third party service provider or from the Provider Company. Such Direct Costs shall not exceed the actual direct cost to the Provider Company of procuring or providing such goods or Special Services.
- 4.2 Imposition of Taxes. If all or any portion of the Service Fee is subject to sales or use, VAT or similar taxes or levies, such amount shall be paid by the Recipient Company in accordance with applicable law.
- 4.3 <u>No Other Charge to Recipient Company for Services.</u> It is intended that, with respect to the Services enumerated in Section 3.1 above and any Special Services the Provider Company agrees to provide under this Agreement, the Fees

shall be the sole costs incurred or borne by the Recipient Company for such Services and Special Services provided to it by the Provider Company.

## ARTICLE 5. METHOD OF PAYMENT

- 5.1 Payment of Fees; Deduction from Custodial Account. The Provider Company and the Recipient Company agree that the Provider Company shall deduct from the Custodial Account on a quarterly basis (in arrears) all Service Fees and Reimbursement Fees accrued for such quarter in accordance with the general cost accounting systems and methods of the Recipient Company. At the option of the Recipient Company, the Provider Company shall invoice the Recipient Company for the applicable Fees for any payment period, together with applicable taxes.
- Annual and Request Reconciliation. By March 31st following each 5.2 Accounting Period, or upon request of the Recipient Company, the Chief Financial Officer of the Provider Company shall prepare a statement (the "Reconciliation Statement") showing for the immediately preceding Accounting Period (or other period as requested by the Recipient Company), the aggregate actual Fees payable by the Recipient Company to the Provider Company in accordance with the provisions of Section 5.1 of this Agreement and the Direct Costs (if any) to be charged to the Recipient Company for such Accounting Period (or other period as requested by the Recipient Company). The Reconciliation Statement will include detail reasonably sufficient to support the calculation of the actual Service Fees, Reimbursement Fees and Direct Costs set forth thereon in accordance with the terms of this Agreement. Within thirty (30) days of delivery of the Reconciliation Statement pursuant to this Section 5.2, the Recipient Company may review and dispute such calculations by written notice to the Chief Financial Officer of the Provider Company, and during such time period the Provider Company will provide to the Recipient Company such access to its books and records as is reasonably necessary or appropriate for the Recipient Company to verify the accuracy of the Reconciliation Statement. In the event of such a dispute, the Recipient Company and the Provider Company shall attempt to reconcile their differences, and any resolution by them as to any disputed amounts shall be final, binding and conclusive on the parties hereto. If the Recipient Company and the Provider Company are unable to reach a resolution with such effect within fifteen (15) days after the receipt of written notice of

dispute, the parties shall submit the items remaining in dispute for resolution pursuant to binding arbitration in accordance with the rules set forth by the American Arbitration Association under its Commercial Arbitration Rules.

5.3 Reimbursement Reconciliation Payment. Within ten (10) days following expiration of the thirty (30) day review period following delivery of any Reconciliation Statement referred to in Section 5.2, or the resolution of any dispute thereunder, whichever last occurs, the Chief Financial Officer of the Recipient Company shall cause payment to be made to the Provider Company in accordance with the general cost accounting systems and methods of the Recipient Company in respect of any difference between the aggregate Fees as set forth on such Reconciliation Statement and the aggregate Fee payments actually made during the applicable period under Section 5.1, if any

## ARTICLE 6. TERM AND TERMINATION

- 6.1 <u>Term of Agreement</u>. The initial term of this Agreement shall commence as of the Closing Date and shall end on the first anniversary thereof
- 6.2 <u>Automatic Renewal</u>. This Agreement shall automatically renew for succeeding one-year terms unless and until terminated by the Provider Company or the Recipient Company, in each case by providing at least 30 days prior written notice to the other party.
- 6.3 <u>Termination for Breach.</u> Any breach which remains uncured for 30 days following notice shall be cause for immediate termination by the non-breaching party.
- 6.4 <u>Effect of Termination</u>. Termination of this Agreement for any reason shall not relieve the Recipient Company of its obligations to pay the following, each of which shall be payable upon demand following termination: (i) all amounts that have accrued pursuant to this Agreement as of the date of such termination and (ii) any Reimbursement Fees incurred after the date of termination which are specifically related to the Recipient Company and cannot be cancelled as of the date of such termination.

## ARTICLE 7. CONFIDENTIALITY

7.1 <u>Mutual Confidentiality</u>. The parties acknowledge that each has received, or will in the performance of its obligations under this Agreement receive,

certain proprietary and confidential information from the other ("Proprietary Information"). Information will not be deemed Proprietary Information hereunder if such information: (a) is known to the receiving party prior to receipt from the disclosing party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (b) becomes known (independently of disclosure by the disclosing party) to the receiving party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (c) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of this Agreement by the receiving party; or (d) is independently developed by the receiving party. Each of the receiving parties agrees not to reveal or disclose any Proprietary Information of the other party for any purpose other than as contemplated by this Agreement without the prior written consent of the disclosing party, except as may be required by law and except to any employees or agents of the receiving party whose access to the Proprietary Information is necessary for receiving party to perform obligations or exercise its rights hereunder, provided such employees or agents agree to be bound by the confidentiality obligations imposed upon receiving party hereunder. Each receiving party agrees not to use the Proprietary Information of the disclosing party for any purposes except as necessary to fulfill its obligations or exercise its rights under this Agreement. The party receiving Proprietary Information shall take reasonable precautions to prevent the misuse, unauthorized disclosure or inadvertent disclosure or loss of such Proprietary Information. Upon termination of this Agreement, receiving party will promptly re-deliver to disclosing party any Proprietary Information of the disclosing party delivered to the receiving party (and all copies thereof), and, at disclosing party's option, will destroy all memos, notes, records, reports, media, documents and materials (and all copies thereof) prepared by the receiving party regarding or including any Proprietary Information which the receiving party may then possess or have under its control and, upon request by the disclosing party, certify to such return or destruction. The provisions of this Section 7.1 will survive any termination of this Agreement.

## ARTICLE 8. MISCELLANEOUS

8.1 <u>Notices.</u> Any and all notices, elections, offers, acceptances, and demands permitted or required to be made under this Agreement shall be in writing,

signed by the party giving such notice, election, offer, acceptance or demand, and shall be delivered personally, or sent by registered or certified mail, to the party, at its address on file with the other party or at such other address as may be supplied in writing. The date of personal delivery or the date of mailing, as the case may be, shall be the date of such notice, election, offer, acceptance, or demand

- by any party, or of any obligation under this Agreement, is prevented, restricted, interfered with or delayed by reason of any cause beyond the reasonable control of the party liable to perform, unless conclusive evidence to the contrary is provided, the party so affected shall, on giving written notice to the other parties, be excused from such performance to the extent of such prevention, restriction, interference or delay, provided that the affected party shall use its reasonable best efforts to avoid or remove such causes of nonperformance and shall continue performance with the utmost dispatch whenever such causes are removed. When such circumstances arise, the parties shall discuss what, if any, modification of the terms of this Agreement may be required in order to arrive at an equitable solution.
- Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns, and each party agrees, on behalf of it, its successors and permitted assigns, to execute any instruments that may be necessary or appropriate to carry out and execute the purpose and intentions of this Agreement, and hereby authorizes and directs its successors and permitted assigns to execute any and all such instruments. No party to this Agreement may transfer, assign or delegate any of its rights, duties or obligations under this Agreement, in whole or in part, to any third party without the prior written consent of all other parties to this Agreement. Each and every successor-in-interest to any party, whether such successor acquires such interest by way of gift, devise, assignment, purchase, conveyance, pledge, hypothecation, foreclosure, or by any other method, shall hold such interest subject to all of the terms and provisions of this Agreement. The rights of the parties and their successors-in-interest, as among themselves, shall be governed by the terms of this Agreement, and the right of any party

or successor-in-interest to assign, sell or otherwise transfer or deal with its interests under this Agreement shall be subject to the limitations and restrictions of this Agreement.

- 8.4 <u>Amendment.</u> No change, modification, or amendment of this Agreement shall be valid or binding on the parties unless such change or modification shall be in writing signed by the party or parties against whom the same is sought to be enforced with the written consent of both the Recipient Company and the Provider Company.
- 8.5 <u>Limitation of Liability</u>. The Provider Company shall be liable to the Recipient Company for any loss, liability or damage suffered in connection with Provider Company's performance of the Services and Special Services only to the extent that such loss, liability or damage is the result of the gross negligence, recklessness or willful misconduct of Provider Company. Notwithstanding the foregoing, in no event shall Provider Company be liable for any indirect, special, punitive, exemplary, incidental or consequential damages or expenses of any kind, including loss of profits. Provider Company's maximum liability in connection with this Agreement shall be limited to the amount that Recipient Company has paid for the Services and Special Services in the aggregate, which limitation shall apply regardless of the form of any action, whether in tort or in contract or otherwise, or whether any such actions arise directly or indirectly under this Agreement; provided, however, the Recipient Company shall be entitled to preliminary injunctive relief in the event of a willful breach of this Agreement.
- 8.6 Disclaimer of Warranty. EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE SERVICES AND SPECIAL SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND PROVIDER COMPANY MAKES NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR GUARANTEES RELATING TO THE SERVICES AND SPECIAL SERVICES TO BE PROVIDED PURSUANT TO THIS AGREEMENT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 8.7 <u>Remedies.</u> The remedies of the parties under this Agreement are cumulative and shall not exclude any other remedies to which the party may be lawfully entitled.

- 8 8 No Waiver. The failure of any party to insist on strict performance of a covenant hereunder or of any obligation hereunder shall not be a waiver of such party's right to demand strict compliance therewith in the future, nor shall the same be construed as a novation of this Agreement
- 8.9 <u>Integration.</u> This Agreement constitutes the full and complete agreement of the parties, and supersedes any and all other understandings and agreements, oral, written or otherwise, of the parties with respect to the subject matter hereof
- 8.10 <u>Captions</u>. Titles or captions of sections and paragraphs contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provision hereof
- 8.11 Number and Gender Whenever required by the context, the singular number shall include the plural, the plural number shall include the singular, and the gender of any pronoun shall include all genders
- 8 12 <u>Counterparts</u>. This Agreement may be executed in multiple copies, each of which shall for all purposes constitute an Agreement, binding on the parties, and each party hereby covenants and agrees to execute all duplicates or replacement counterparts of this Agreement as may be required
- 8.13 <u>Applicable Law</u> This Agreement shall be governed by and construed in accordance with the laws of New York without regard to the principles of the conflicts of law thereof.
- 8 14 Severability. In the event any provision, clause, sentence, phrase, or word hereof, or the application thereof in any circumstances, is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder hereof, or of the application of any such provision, sentence, clause, phrase, or word in any other circumstances.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the first date above written by their authorized officers.

BAC	CKPAGE.COM, LLC
By:	
	Name:
	Title:
WE	BSITE TECHNOLOGIES, LLC
By:	
Nam	
Title	:

[SIGNATURE PAGE TO SERVICE AGREEMENT]

# 454

# **SCHEDULE 4.1**

# Calculation of Service Fee

The Service Fees payable pursuant to Section 4.1 of this Agreement shall be an amount, calculated on a quarterly basis (in arrears), to compensate Provider Company in full for all expenses of the Provider Company, including without limitation rent, utilities, employee compensation, temporary staffing, benefits, information technology systems, technology licenses, office equipment and supplies, taxes and any other expenses associated with the operation of the Provider Company's business during such quarter, plus [_] percent ([]%) of such amount.

# LETTER OF INTENT FOR SALE OF MEMBERSHIP INTERESTS IN DARTMOOR HOLDINGS, LLC AND FINANCING OF SALE

This non-binding Letter of Intent ("LOI") is effective as of this 24 day of December, 2014 and is intended to summarize the principal terms of a sale of certain assets or interests more particularly described below (the "Sale") and financing of the transaction (the "Financing") from CAMARILLO HOLDINGS, LLC a Delaware limited liability company or its designee ("Seller") to UGC TECH GROUP CV, a Dutch company domiciled in Curacao ("Buyer") subject to the terms and conditions set forth below. The terms set forth below may be considered by you, but do not create any legally binding obligations between the parties.

Seller	Camarillo Holdings, LLC, a Delaware limited liability company
Buyer	UGC Tech Group CV, a Dutch company domiciled in Curacao
Assets subject to sale	100% of the membership interests in Dartmoor Holdings, LLC, a Delaware limited liability company which includes the membership interests in the following entities:  Backpage.com, LLC Website Technologies, LLC IC Holdings, LLC Posting Solutions, LLC Classified Solutions, Ltd. Postfaster, LLC Classified Strategies Cooperatief U.A. Payment Solutions, B.V.
Excluded Assets	The following shall be excluded from the sale and transferred to Seller or Seller's designee at Closing:  • Seller at Seller's option may determine to exclude certain assets from the transaction. In that event, Seller will enter into a license whereby Buyer will have the use of the Excluded Assets in the operation of the business upon terms and conditions to be included in the Asset Purchase and License Agreement  • Cash on hand as of the Closing less fund, if any, necessary to be used for working capital to be transferred to

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	Seller at Closing
	_
	Not to be credited against the purchase price but retained by Seller
	Receipts for credit card transactions completed on or before the Closing
	Not to be credited against the purchase price but retained by Seller except to the extent Seller agrees otherwise
Purchase Pricc	\$600 million
Conditions to Partics' obligation to close	Approval of the Managing Members or Board of Buyer and Seller of the Sale
	The Parties' execution of the Definitive     Purchase Agreement (and all ancillary     documents) which are satisfactory to     Seller in its sole and absolute discretion
	3. Execution of all loan and other documents which are satisfactory to Seller/Lender in their sole and absolute discretion and which are necessary to close the transactions contemplated by this LOI
	4. Execution by Carl Ferrer, Dan Hyer and Joe Kiapig of employment agreements with Buyer or one of Buyer's subsidiaries upon terms and conditions agreed with Seller
	5. Execution by Carl Ferrer, Dan Hyer and Joe Kiapig of noncompetition agreements with Buyer that designates that Lender is a third party beneficiary under the noncompetition agreement and has the right to enforce it in the event employer neglects or refuses to enforce the applicable noncompetition agreement.
	The 2015 budget for Backpage.com and related and affiliated entities being approved by Seller and Buyer.
	Buyer providing to Seller any additional budgets and projections requested by

	Seller prior to closing
	8. Buyer providing Seller with a succession plan for management of Buyer upon terms and conditions satisfactory to Seller in its sole and absolute discretion.
	9. Carl Ferrer executing an estate plan and other agreements necessary to implement the provisions of this LOI and the documents to be executed in connection therewith in the event of the death of dissolution of the marriage of Carl Ferrer
	Buyer providing Seller with a five-year business plan satisfactory to Seller in its sole and absolute discretion.
	Any governmental or regulatory     approvals as required, including any     HSR filing
	12. Buyer entering into new merchant agreements for the processing of credit card transactions or removing Seller and any officers, directors, members or principals of Seller or any related or affiliated entities as guarantors or responsible parties on existing merchant agreements.
Participation in Upside	Must await tax and transactional analysis
Closing	On or before March 31, 2015 unless adjusted by Seller at its sole option
Financing	Scller will carry back a note for full amount of the purchase price ("Loan") which will be secured and guaranteed as provided below.
	Seller shall have the right to assign its rights and obligations pursuant to the Loan to a designee

¹ To the extent that the sale consists in part of a license for some of the assets, the note may be reduced by the amount of license fees to be paid to Seller over the life of the license.

Borrowers	Buyer and all related and affiliated entities as determined by Seller in its sole and absolute discretion
Terms:	
Interest Rate	7%
Default Interest Rate	14%
Monthly Payments	Interest plus principal as set forth in an amortization schedule to be determined in connection with definitive documents.
Prepayment Premium	None
Maturity Date	Five (5) years from date of Note
Free Cash Flow Sweep	Quarterly-
	Payments to be applied against the Note as determined by Lender
	Free Cash Flow defined as: Buyer's EBITDA for the previous four fiscal quarters minus (i) interest paid in cash during such period; minus (ii) any amounts paid for capital expenditures during such period; minus (iii) income taxes paid; minus (iv) principal payments made with respect to Loan during such period.
Mandatory Payment	Upon sale of any assets
Prepayment or Make Whole Premium	As may be determined by Seller in its sole and absolute discretion
Security	Lender to have security interest in:
	All current and after acquired assets of operating entity(s)
	All membership or stock interests being acquired by Buyer, Carl Ferrer or any affiliated or related
	Control Agreements with all banks with whom Borrower has accounts

Guarantees	Carl Ferrer
	All related and affiliated entities
	Seller retains right to climinate or add other Guarantors
Assignment	No assignment by Borrower or Guarantor(s) Freely assignable by Lender
Management Salaries	Carl Ferrer salary to be 1% of projected EBITDA to be paid in semi-monthly payments provided that at least 20% of salary will be paid upon completion of the annual audit. If amount owing after completion of audit is less than 20% of projected EBITDA, the actual amount equal to 1% of actual EBITDA will be paid. If payments during the year exceed 1% of actual EBITDA, any excess will reduce future semi-monthly payments until such excess is repaid in full.
	Other management salaries to be approved by Lender as part of annual budget.
Provision in the event of death or dissolution of marriage of Carl Ferrer	Borrower to maintain current life insurance on Ferrer and upon Closing, beneficiary to be changed to Ferrer's estate
	If Ferrer dies and the amount outstanding on the Loan is 50% or more of the original principal amount plus all interest, fees, costs and other amounts due to Lender, Ferrer's interest will be canceled or transferred to Lender (at Lender's option), Ferrer's spouse or estate will receive the full proceeds of the life insurance policy and Ferrer's spouse, estate, representatives, heirs, etc. will have no further rights or interest in Borrower(s) or any related or affiliated entities.
	If Ferrer dies and the amount outstanding on the Loan is less 49% or less than the original principal amount plus all interest, fees, costs and other amounts due to Lender, the fair market value of the Ferrer's interest in the "business" will be determined and that interest will either be sold or, at Lender's option, Lender or its designee will purchase Ferrer's interest less all amounts necessary to pay the

## Loan in full

Under no circumstances will Ferrer's spouse, his estate or any of his heirs, representatives, etc. have any ownership right in Ferrer's interests nor will any of those persons or entities have any right of management.

In the event that Ferrer's marriage is dissolved while he owns any interest and any of the Loan is outstanding, the Parties, including Ferrer's spouse, will agree to provisions that, among other things, will not allow Ferrer's wife to: (i) acquire any interest in the stocks or interests in Buyer or any affiliated or related entities that are Borrowers or Guarantors; (ii) to have any role in management of Borrowers or Guarantors or any affiliated or related entities of those Parties; (iii) acquire any lien on any of the assets or interests of Buyer, Borrowers, Guarantors or any affiliated or related entities; and (iv) will have such other provisions as are required by Seller in its sole and absolute discretion

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Reporting/Financial Covenants	Annual Budget to be approved by Lender
	Annual Business Plan to be approved by Lender
	Monthly and Quarterly Balance Sheets, P&L's and Cash Flow Statements provided within twenty-one days after the close of each month which shall also contain a budget to actual reconciliation
	Annual statements audited financial statements to be provided within one hundred twenty (120) days after close of fiscal year
	Compliance Certificates to accompany each financial statement provided attesting that Borrower is in compliance with all covenants and confirming continued accuracy of reps and warrantics
	Financial covenants per attached spreadsheet
,	Labor Issues
	ERISA or similar plan notices
	Outside Accountant issued Management Letters
	Any other financial information or reports required by Lender
	Full access to Lender of Borrowers and any related or affiliated entities books and records
	Notice of Litigation (Borrower must give immediate notice to lender of any known or threatened litigation)
	Borrower to indemnify Lender and all related or affiliated entities and individuals from any litigation pending or threatened as of Closing and any litigation pending or threatened post Closing.
	Limitation on capital expenditures (not otherwise included in Budget)
	Lender to have electronic access to bank accounts
Covenants	Environmental covenant
	Insurance
	Notice of Default (Borrower must give

immediate notice to lender of any known or threatened default under any agreements, including the loan agreement)

Borrower must comply with all regulatory requirements and reporting No change in ownership structure without consent of Lender

No change in outside legal counsel without consent of Lender

No change in accountants without consent of Lender

No change in organizational structure without consent of Lender

No acquisition of additional assets or interests without consent of Lender

No change in place of domicile of Borrower without consent of Lender

Cannot incur any debt other than in ordinary course of business limited to an aggregate of \$2.5 million which must be paid on a current basis

No voluntary or involuntary liens or security interests in any assets or interests

No negative pledges

No guarantee of debt except to Lender

No dividends or distributions without consent of Lender

All management salaries to be subject to approval by Lender

No bonuscs unless included in budget approved by Lender or unless otherwise approved by Lender

No salary increases without approval by Lender No change in the type or nature of business

Banking relationship subject to approval by

Lender
No change in merchant agreement

arrangements without approval of Lender

No sale of any substantial assets without

	consent of Lender
	Maintenance of assets
	No change in business activity except those substantially similar to those engaged in on date of Closing and activities reasonably incidental thereto
	Limitation on investments
	Limitation in issuance of capital securities
	No consolidation, merger, liquidation, dissolution without consent of Lender
	Limitation on transaction with affiliates
	No restrictive agreements with third parties or affiliates
or the state of th	No sale/leaseback transactions
	No modification of existing agreements, including operating agreements, if the result would have an adverse effect on Lender
	No material adverse change
	No change in management
	Additional covenants Lender determines are necessary or appropriate
Lender Consent	All Lender consents to be in Lender's sole and absolute discretion
Expenses	All expenses incurred by Lender in monitoring credit including internal time and outside resources, including professional retained by Lender paid or reimbursed by Borrower
Loan Administration and Monitoring Fee	To be paid to Lender on a monthly basis

Events of Default	Breach of any covenant
	Breach of any representation or warranty
	Nonpayment
	Failure to maintain registration and perfection of rights in intellectual property
	Default under Purchase Agreement
	Entry of Judgment or order individually or in the aggregate in excess of \$10,000
	Change in control
	Bankruptey, insolvency or assignment for benefit of creditors
	Impairment of security
	Change in management
Confidentiality	This LOI is confidential to the Parties and their representatives, and Buyer shall not disclose the terms of the sale nor shall Buyer respond to any third party questions regarding the transaction except to confirm that the Parties have agreed to a Sale. Notwithstanding the foregoing, Seller may disclose the fact of the sale, including issuance of a press release regarding the fact of the sale.
Assignment or Sale	Borrower cannot assign
	Lender can assign interests in whole or in part and may sell participation interests in the Loan or all of its interest in the Loan
No Third Party Beneficiaries	Except as specifically set forth or referred to herein, nothing herein is intended or shall be construed to confer upon any person or entity other than the Parties and their successors or assigns, any rights or remedies under or by reason of this LOI.
Expenses	The Parties will each pay their own transaction expenses, including the fees and expenses of investment bankers and other advisors, incurred in connection with the proposed transaction.

No Binding Agreement	This LOI reflects the intention of the Parties, but for the avoidance of doubt neither this Letter nor its acceptance shall give rise to any legally binding or enforceable obligation on any Party, except with regard to confidentiality. No contract or agreement providing for any transaction involving the Seller or the entities being sold shall be deemed to exist between Buyer and any of its affiliates and Seller or Lender unless and until final definitive agreements have been executed and delivered.
Applicable Law	TBD

CAMARILLO HOLDINGS, LLC, a Delaware limited liability company

UGC TECH GROUP CV, a Dutch company domiciled in Curacao

#### AGREEMENT AND PLAN OF RECAPITALIZATION

THIS AGREEMENT AND PLAN OF RECAPITALIZATION (the "Agreement"), dated as of the 12th day of February, 2015 (the "Effective Date"), is entered into by and among Medalist Holdings, Inc., a Delaware corporation (the "Company"), Michael G. Lacey ("Lacey"), James A. Larkin ("Larkin"), James A. Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 f/b/o Ramon Larkin ("Ramon Larkin Trust"), James A. Larkin as Trustee of the Trust dated April 1, 1998, u/i/t dated April 1, 1993 f/b/o Troy Larkin ("Troy Larkin Trust"), John E. Brunst ("Brunst") and Scott G. Spear ("Spear") collectively referred to as "Shareholders," and Lacey, Larkin, Ramon Larkin Trust, Troy Larkin Trust, Brunst and Spear are individually referred to as "Shareholder."

## RECITALS:

- A. Pursuant to that certain Voting Trust Agreement which is dated November 18, 2002 ("Voting Trust Agreement") Larkin and Lacey, as Trustees ("Voting Trustees"), hold the number of issued and outstanding shares of the Company's Common Voting Stock, no par value ("Common Voting Stock") on behalf of the Shareholders as is set forth opposite their respective names on the attached Exhibit A, and the Shareholders hold Voting Trust Certificates for such shares as provided in the Voting Trust Agreement.
- B. Shareholders desire to (i) amend the Company's Certificate of Incorporation pursuant to a Certificate of Amendment in the form attached hereto as Exhibit B (the "Certificate of Amendment"), and (ii) engage in a reverse stock split and recapitalization whereby they will exchange their existing shares of Common Voting Stock for a combination of shares of Common Voting Stock and shares of the Company's Common Nonvoting Stock, no par value, to be authorized pursuant to the Certificate of Amendment ("Common Nonvoting Stock").
- C. Shareholders intend that the exchange of their shares as provided herein will be tax-free to them under Sections 354 and 1036 of the Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Reverse Split and Recapitalization. As of February 18, 2015 (the "Closing Date"), (i) the Company shall cause the Certificate of Amendment to be filed with the Delaware Secretary of State (and in any other offices in which the Certificate of Amendment must be filed to become effective and to permit the consummation of the transactions contemplated by this Agreement), (ii) the Common Voting Stock held by the Voting Trustees as reflected in Exhibit A shall be deemed to be surrendered to the Company and cancelled, (iii) the Company shall issue, in exchange for the Shareholders' existing shares of Common Voting Stock, to the Voting Trustees on behalf of the

Shareholders one-thousandth (1/1000) share of Common Voting Stock and to the Shareholders ninety-nine thousandths (99/1000) shares of Common Nonvoting Stock for each share of Common Voting Stock exchanged, and (iv) the Voting Trustees shall issue to the Shareholders Voting Trust Certificates relating to the newly issued Common Voting Stock. The exchange by Shareholders of their shares as provided herein is intended to be a "reorganization" within the meaning of Section 368(a)(1)(E) of the Code, and this Agreement is intended to constitute a "plan of reorganization" for purposes of the regulations under Section 368 of the Code. All newly issued Common Voting Stock shall be subject to the provisions of the Voting Trust Agreement and all newly issued Common Voting Stock and Common Nonvoting Stock shall be subject to the provisions of the Amended and Restated Stock Restriction Agreement dated October 3, 2013 ("Stock Restriction Agreement"). Further, the newly issued shares of Common Voting Stock in Trust shall also be subject to the provisions of the Buy-Sell Agreement dated September 30, 2013 ("Buy-Sell Agreement").

- 2. Approval of the Reverse Split and Recapitalization. The Shareholders hereby approve the reverse stock split and the recapitalization as set forth in Paragraph 1 above including the exchange of shares as set forth therein. Before the Closing Date, the Directors of the Company, shall approve (i) the filing of the Certificate of Amendment, and (ii) the issuance by the Company of the shares of Common Voting Stock and Common Nonvoting Stock to be issued pursuant to Paragraph 1 above.
- 3. <u>Legend on Certificates</u>. Upon issuance, the certificates representing the shares of Common Nonvoting Stock and Common Voting Stock (and all securities issued in respect of such securities or in exchange therefor or substitution thereof) shall bear legends as required by the provisions of the Voting Trust Agreement, the Stock Restriction Agreement and the Buy-Sell Agreement, as applicable.
- 4. <u>Binding Agreement</u>. This Agreement shall be binding upon and inure to the benefit of the heirs, executors and assigns of the parties.
- 5. <u>Governing Law.</u> This Agreement shall be governed by the laws of the State of Delaware.

SHAREHOLDERS:

Michael G. Lace

James A. Larkin

CORPORATION:

MEDALIST HOLDINGS, INC. a Delaware corporation

James A Larkin, CEO

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2

Ву:

App.000467

The Trust dated April 1, 1998

u/i/t dated April 1, 1993 f/b/o

Ramon Larkin

By

James A. Larkin, Trustee

The Trust dated April 1, 1998

u/i/t dated April 1, 1993 f/b/o

Troy Larkin

By

James A. Larkin, Trustee

John E. Brunst

Agreement and Plan of Recapitalization(v5),wpd

Scott G. Spear

469 **EXHIBIT A** 

# Ownership of Medalist Holdings, Inc.

Stockholder Name	Shares Owned	Percentages Owned (rounded)
Michael G. Lacey	1,640,289.20	45.12%
James A. Larkin	1,554,441.00	42.76%
J. Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 fbo Ramon Larkin	42,923.90	1.18%
J. Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 fbo Troy Larkin	42,923.90	1.18%
John E. Brunst	205,951.00	5.67%
Scott Spear	148,820.00	4.09%
Totals:	3,635,349.00	100.0%

	Current	Ownership		Re Cap		Ownership
	Shares	%	Voting	Non Voting	Total	<u>%</u>
Larkin	1,554,441.20	0.42759064	1,554.4412	153,889.6788	155,444.1200	0.42759064
Lacey	1,640,289.00	0.45120537	1,640.2890	162,388.6110	164,028.9000	0.45120537
Spear	148,820.00	0.04093692	148.8200	14,733.1800	14,882.0000	0.04093692
Brunst	205,951.00	0.05665233	205.9510	20,389.1490	20,595.1000	0.05665233
T Larkin	42,923.90	0.01180737	42.9239	4,249.4661	4,292.3900	0.01180737
R Larkin	42,923.90	0.01180737	42.9239	4,249.4661	4,292.3900	0.01180737
	3.635,349.00	1.0000	3,635,3490	359.899.5510	363.534.9000	1.0000

#### **EXHIBIT B**

#### STATE OF DELAWARE CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That pursuant to unanimous written consent of the Board of Directors of

MEDALIST HOLDINGS, INC.

resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolutions setting forth the proposed amendment are as follows:

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "FOURTH" so that, as amended, said Article shall be and read as follows:

FOURTH. The aggregate number of shares of capital stock that the Corporation shall have the authority to issue is 5000 shares of common voting stock, no par value and 500,000 shares of common nonvoting stock, no par value.

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by adding Article numbered "ELEVENTH" so that said Article shall be and read as follows:

ELEVENTH. Reverse Split. Simultaneously with the effective date of this Amendment (the "Effective Date") each one (1) share of the corporation's Common Voting Stock, no par value, issued and outstanding immediately prior to the Effective Date (the "Common Voting Stock") shall be automatically and without any action on the part of the holder thereof, be reclassified as and changed, pursuant to a reverse stock split ("the Reverse Split") and recapitalization into one-thousandth (1/1000) share of the corporation's Common Voting Stock and ninety-nine thousandths (99/1000) shares of the corporation's Common Nonvoting Stock (the "Common Nonvoting Stock"). Each holder of a certificate or certificates which immediately prior to the Effective Date represented outstanding shares of Common Voting Stock shall be entitled to receive upon cancellation of such outstanding shares, a certificate or certificates representing the number of shares, including fractional

shares, of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the Common Voting Stock so cancelled are reclassified under the terms hereof. From and after the Effective Date, all newly issued certificates shall thereupon be deemed for all corporate purposes to evidence ownership of the corporation's stock in the appropriately reduced number of shares. From and after the Effective Date, the amount of capital shall be represented by the outstanding shares of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the previously held Common Voting Stock are reclassified, until thereafter reduced or increased in accordance with applicable law.

**SECOND:** That thereafter, pursuant to resolution of its Board of Directors and in accordance with Section 228 of the General Corporation Law of the State of Delaware, stockholders holding the necessary number of shares as required by statute executed written consents in favor of the amendment.

**THIRD:** That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

**IN WITNESS WHEREOF,** said corporation has caused this certificate to be signed this ______ day of February, 2015.

MEDALIST HOLDINGS, INC.,

a Delaware gorpogration

John B. Brunst, Vice President/CFC

# STATE OF DELAWARE CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That pursuant to unanimous written consent of the Board of Directors of

#### MEDALIST HOLDINGS, INC.

resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolutions setting forth the proposed amendment are as follows:

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "FOURTH" so that, as amended, said Article shall be and read as follows:

FOURTH. The aggregate number of shares of capital stock that the Corporation shall have the authority to issue is 5000 shares of common voting stock, no par value and 500,000 shares of common nonvoting stock, no par value.

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by adding Article numbered "ELEVENTH" so that said Article shall be and read as follows:

ELEVENTH. Reverse Split. Simultaneously with the effective date of this Amendment (the "Effective Date") each one (1) share of the corporation's Common Voting Stock, no par value, issued and outstanding immediately prior to the Effective Date (the "Common Voting Stock") shall be automatically and without any action on the part of the holder thereof, be reclassified as and changed, pursuant to a reverse stock split ("the Reverse Split") and recapitalization into one-thousandth (1/1000) share of the corporation's Common Voting Stock and ninety-nine thousandths (99/1000) shares of the corporation's Common Nonvoting Stock (the "Common Nonvoting Stock"). Each holder of a certificate or certificates which immediately prior to the Effective Date represented outstanding shares of Common Voting Stock shall be entitled to receive upon cancellation of such outstanding shares, a certificate or certificates representing the number of shares, including fractional shares, of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the Common Voting Stock so cancelled are reclassified under the

terms hereof. From and after the Effective Date, all newly issued certificates shall thereupon be deemed for all corporate purposes to evidence ownership of the corporation's stock in the appropriately reduced number of shares. From and after the Effective Date, the amount of capital shall be represented by the outstanding shares of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the previously held Common Voting Stock are reclassified, until thereafter reduced or increased in accordance with applicable law.

**SECOND:** That thereafter, pursuant to resolution of its Board of Directors and in accordance with Section 228 of the General Corporation Law of the State of Delaware, stockholders holding the necessary number of shares as required by statute executed written consents in favor of the amendment.

**THIRD:** That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

WITNESS WHEREOF, said corporation has caused this certificate to be signed this _______ day of February, 2015.

MEDALIST HOLDINGS, INC.,

a Delaware corporation

John E/ Brunst, Vice President/C

# MEDALIST HOLDINGS, INC. ACTION BY UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS IN LIEU OF SPECIAL MEETING

## February 12, 2015

The undersigned, constituting all of the Directors of Medalist Holdings, Inc., a Delaware corporation, hereby unanimously consent to the adoption of the following resolutions without the formality of convening a special meeting of the Board of Directors, for and as the actions of this Corporation, as of the date set forth above:

WHEREAS, the Board of Directors has discussed a Plan of Recapitalization for the Corporation and an Amendment to the Certificate of Incorporation, and

WHEREAS, the Board of Directors has reviewed a proposed Amendment to the Certificate of Incorporation to provide for voting and nonvoting stock, a reverse stock split and a Plan of Recapitalization, it was

RESOLVED, that the Amendment to the Certificate of Incorporation providing for voting and nonvoting shares of the Corporation's common stock and a reverse stock split is hereby approved and adopted and the officers of the Corporation are hereby authorized to execute said Amendment and file same with the Delaware Secretary of State; and

RESOLVED, that the proposed Agreement and Plan of Recapitalization between the Corporation and the Stockholders, as presented by the Board, is hereby approved and adopted and that said Agreement and Plan of Recapitalization be submitted to a vote of the Stockholders of this Corporation; and

FURTHER RESOLVED, that upon the approval of said Agreement and Plan of Recapitalization by the Stockholders and pursuant to such Agreement and Plan of Recapitalization, the Corporation issue voting and nonvoting shares of stock to its present Stockholders, as provided in such Agreement and Plan of Recapitalization; and

FURTHER RESOLVED, that the Chief Financial Officer of the Corporation, is authorized and directed for and on behalf of this Corporation to execute the Agreement and Plan of Recapitalization and to obtain the necessary signatures of all the Stockholders thereon. A copy of said Agreement and Plan of Recapitalization is directed to be attached to this resolution and placed in the corporate record book.

FURTHER RESOLVED, that the officers of this Corporation be, and they hereby are, authorized and directed to deliver any and all instruments and to take any and all actions as may be necessary to carry out said Agreement and Plan of Recapitalization.

Michael G. Lacey

James A. Larkin

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EXHIBIT A

Stockholder Name	Shares Owned	Percentage Ownership
Michael G. Lacey	1,640,289	45.12%
James A. Larkin	1,554,441	42.76%
J.Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 fbo Ramon Larkin	42,924	1.18%
J. Larkin as Trustee of the Trust dated april 1, 1998 u/i/t dated		
April 1, 1993 fbo Troy Larkin	42,924	1.18%
John E. Brunst	205,951	5.67%
Scott Spear	148,820	4.09%
Totals:	<u>3,635,349</u>	100.0%

Ownership of Medalist Holdings, Inc.

11721938v.1

# PRELIMINARY VALUATION INFORMATION/DOCUMENT REQUEST

Consulting prepared the following preliminary set of questions and data requests related to the valuation analysis regarding the fair market value ("FMV") of Medalist Holdings, Inc. ("Medalist" or the "Company" or the "Subject Entity") on a minority, non-marketable basis, as of the February 12, 2015 (the "Valuation Date") for gift tax planning purposes.

Please provide written answers to these questions or copies of documents which address the questions at hand. Some of the information will be readily available while other items will be gathered as a product of discossion (if necessary). When possible, please provide information in electronic form.

Please address the information to the following individuals:

#### General and Financial Information:

- Please indicate if there were any changes to the Company's organizational structure since August 31, 2014. If yes, please provide the latest version of the organizational chart. SEE ATTACHED ORG CHART
- Please provide additional information related to the loan / financing terms anticipated as part of
  the transaction, if available. \$600 MILLION FULLY AMORTIZING TERM LOAN (72MO)
  PLUS WORKING CAPITAL AS OF CLOSING (EXPECTED TO BE AROUND \$12
  MILLION). SELLER RECEIVES A 30% PARTICIPATION IN ANY FUTURE SALE OF THE
  COMPANY IN EXCESS OF THE PURCHASE PRICE.
- Please provide additional information regarding license for some of the assets that could be included as part of the transaction (page 4 of the LOI). Please specify the assets, terms of the licensing agreement, etc. THERE ARE NO CONTINUING LICENSE/ROYALTY PAYMENTS.
- 4. Please provide actual financial information for Backpage and Camarillo for the last fiscal year with the same level of detail as provided previously.
- Please provide twelve trailing months income statement information for Backpage and Camarillo leading up to the Valuation Date or as close to the Valuation Date as possible (e.g. January 31, 2015). The same format / level of detail as provided previously will be preferred.
- Please provide balance sheet for Backpage and Camarillo as well as the debt balance at Medalist level as of February 12, 2015. FINANCIALS ATTACHED. THERE IS NO OUTSTANIDNG DEBT OF ANY KIND.
- Please indicate if we can rely on the forecasted financial information that was provided previously and/or please provide the revised forecast that we should use for purposes of the valuation. UPDATED FINANCIAL FORECASTS ATTACHED.
- Please provide shareholders / executives' compensation information (actual FY 2014 and forecasted FY 2015) in the same format / level of detail as provided previously. ATTACHED

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- Please indicate if there are any non-operating assets and liabilities as of the Valuation Date. SEE CAMARILLO BALANCE SHEET. NOTE RECEIVABLE FROM SALE OF PUBLICATIONS WHICH HAS BEEN SUBSEQUNETLY REDUCED BY \$7,500000 DUE TO BORROWERS INABLITY TO PAY.
- 10. Please also indicate if there are any one-time (extraordinary) items or adjustments that we should be aware of in the historical financial statements (i.e., gains on the sale of property, one-time losses, etc.).
- 11. Please discuss if any significant events took place between August 31, 2014 and February 12, 2015 that we should be aware of. WASHINGTON STATE SUPREME COURT HEARING AND NEW CIVIL LITIGATION IN BOSTON. SEE ATTACHED SUMMARY. SEVERAL BILLS PASSED BY US CONGRESS TARGETING BACKPAGE SPECIFICALLY AND ADULT ADVERTSING IN GENRAL.
- 12. A list of any major lawsuits, contingent liabilities and/or off-balance-sheet assets.

#### **EXECUTION VERSION**

#### LOAN AGREEMENT

(Backpage US Operations)

This LOAN AGREEMENT (this "Agreement"), dated on or about April 22, 2015 (this "Effective Date"), is entered into by and between ATLANTISCHE BEDRIJVEN C.V. (English translation - Atlantic Holdings C.V.), a Dutch limited partnership, ("Borrower"), and VERMILLION HOLDINGS, LLC, a Delaware limited liability company ("Original Lender").

#### RECITALS:

- A. Borrower, as buyer, and Original Lender, as seller, are parties to that certain Membership Interest Purchase Agreement of even date herewith (the "MIPA"), pursuant to which Original Lender has agreed to sell to Buyer, and Buyer has agreed to purchase from Original Lender, certain business operations, which consist of the ownership and operations of an online general classified advertising website (the "Acquired Business") for the Purchase Price.
- B. Borrower and its Affiliates (i) have substantial prior and successful experience in operating and managing the Acquired Business on behalf of Original Lender and its Affiliates, and (ii) are familiar with all aspects of the Acquired Business.
- C. Borrower desires to obtain the Loan from Original Lender to finance the payment of the Purchase Price and all of the undertakings and obligations in the MIPA and the Transaction Documents.
- D. In light of the foregoing, and in particular taking into account the substantial prior and successful experience of Borrower and its Affiliates in operating and managing the Acquired Business, Original Lender is willing to extend a loan to Borrower for the Purchase Price on the terms and conditions set forth herein.
- E. Immediately upon consummating the Loan, Original Lender will contribute the Loan to its wholly owned Subsidiary, Shearwater Investments, LLC, a Delaware limited liability company (the "New Lender") all of Original Lender's right, title and interest in and to the Loan, the MIPA and the Transaction Documents. Upon such contribution, New Lender shall become the lender on the Loan, and from and after the time of such contribution, all references in this Agreement to "Lender" shall be deemed to refer to New Lender
- F. The transactions under the MIPA are contemplated to close immediately prior to the transactions under this Agreement. In that regard, the parties contemplate that (i) the closing of the MIPA transactions will occur (and will be deemed to occur) as of 11 p.m. PST on the Effective Date, and (ii) the closing of the transactions under this Agreement will occur (and will be deemed to occur) as of 11:01 p.m. PST on the Effective Date.

NOW THEREFORE, in consideration of the premises, and the mutual covenants and agreements set forth herein, Borrower agrees to borrow from Lender, and Lender agrees to lend to Borrower, subject to and upon the following terms and conditions:

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#### AGREEMENTS:

#### 1. <u>DEFINITIONS</u>.

1.1 <u>Defined Terms</u>. For the purposes of this Agreement, the following capitalized words and phrases shall have the meanings set forth below.

"Amstel" shall mean Amstel River Holdings, LLC, a Delaware limited liability company.

"<u>Amstel Member Documents</u>" shall mean (i) that Limited Liability Company Agreement of Amstel River Holdings, LLC, dated as of April 14, 2015, and (ii) that Limited Liability Company Membership Interest Restriction Agreement, dated on or about the date beroof

"Affiliate" of any Person shall mean (a) any other Person which, directly or indirectly, controls or is controlled by or is under common control with such Person, (b) any officer or director of such Person. A Person shall be deemed to be "controlled by" any other Person if such Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of such Person whether by contract, ownership of voting securities, membership interests or otherwise.

"Additional Consideration Agreement" shall have the meaning set forth in Section 3.1 hereof.

"Bankruptcy Code" shall mean the United States Bankruptcy Code, as now existing or hereafter amended.

"Business Day" shall mean any day other than a Saturday, Sunday or a U.S. federal holiday.

"<u>Capital Expenditures</u>" shall mean any expenditure or commitment to expend money for any purchase or other acquisition of any asset that has a useful life of more than one (1) year and that, in accordance with GAAP, would be classified as a fixed or capital asset on a consolidated balance sheet of Borrower and the Subsidiary Guarantors.

"Capital Securities" shall mean, with respect to any Person, all shares, interests, units, participations or other equivalents (however designated, whether voting or non-voting) of such Person's capital, whether now outstanding or issued or acquired after the date hereof, including common shares, preferred shares, membership interests in a limited liability company, limited or general partnership interests in a partnership or any other equivalent of such ownership interest.

"Change in Control" shall mean the occurrence of any of the following events: (a) the Ferrer Parties shall cease to own and control, directly or indirectly, 100% of the outstanding Capital Securities of Borrower; (b) Borrower shall cease to own and control, directly or indirectly, 100% of each class of the outstanding Capital Securities of each Subsidiary Guarantor in existence as of the Effective Date and each Subsidiary of Borrower created after the Effective

Date; (c) at any time following the creation of the Ferrer Trusts, Ferrer shall cease to be the sole trustee of each of the Ferrer Trusts; or (d) the granting by any of the Ferrer Parties or by April Ferrer, directly or indirectly, of a security interest in any ownership interest in Borrower, which could result in a change in the identity of the individuals or entities in control of Borrower. For the purpose hereof, the terms "control" or "controlling" shall mean the possession of the power to direct, or cause the direction of, the management and policies of Borrower by contract or voting of securities or ownership interests.

"Change in Law": The occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty (including any rules or regulations issued under or implementing any existing law); (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority; or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

"Closing" and "Closing Date" shall have the meanings give to those terms in Section 2.2 hereof.

"Closing Note" shall mean that promissory note of even date herewith for the stated principal amount of \$525,700,000, maturing on the Maturity Date, duly executed by Borrower and payable to the order of Lender, together with any and all amendments, restatements, renewals, extensions, modifications and/or replacement notes with respect thereto, including without limitation any modification, amendment and/or restatement of the Closing Note to evidence the Post-Closing Adjustment.

"Code": The Internal Revenue Code of 1986, as it may be amended or supplemented from time to time and the rules and regulations thereunder, as from time to time in effect.

"Collateral" shall mean, severally and collectively, as the context requires, the Borrower Collateral and the Subsidiary Collateral, as those terms are defined in Section 5.1 hereof.

"Control Agreement(s)" shall mean, severally and collectively, as the context requires, each of the control agreements listed in Section 3.1 hereof and any other control agreement hereafter provided in connection with the Loan. Each Control Agreement shall be a tri-party deposit account, securities account or commodities account control agreement by and among the applicable Obligor, Lender and the depository, securities intermediary or commodities intermediary, in form and substance satisfactory to Lender and in each instance providing to Lender both (a) "control" of such deposit account or securities or commodities account within the meaning of Articles 8 and 9 of the UCC, and (b) the right and ability to access electronically such deposit account or securities or commodities account for the sole purpose of monitoring electronically all account activity.

"Debt" shall mean, as to any Person, without duplication, (a) all indebtedness of such Person; (b) all borrowed money of such Person (including principal, interest, fees and charges), whether or not evidenced by bonds, debentures, notes or similar instruments; (c) all

obligations to pay the deferred purchase price of property or services; (d) all obligations, contingent or otherwise, with respect to the maximum face amount of all letters of credit (whether or not drawn), bankers' acceptances and similar obligations issued for the account of such Person, and all unpaid drawings in respect of such letters of credit, bankers' acceptances and similar obligations; (e) all indebtedness secured by any Lien on any property owned by such Person, whether or not such indebtedness has been assumed by such Person (provided, however, if such Person has not assumed or otherwise become liable in respect of such indebtedness, such indebtedness shall be deemed to be in an amount equal to the fair market value of the property subject to such Lien at the time of determination); (f) the aggregate amount of all capitalized lease obligations of such Person; (g) all contingent liabilities of such Person, whether or not reflected on its balance sheet; (h) [reserved]; (i) all Debt of any partnership of which such Person is a general partner; and (j) all monetary obligations of such Person under (i) a so-called synthetic, off-balance sheet or tax retention lease, or (ii) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment). Notwithstanding the foregoing, Debt shall not include trade payables and accrued expenses incurred by such Person in accordance with customary practices and in the ordinary course of business of such Person not to exceed in the aggregate \$2,000,000.

"Default Rate" shall have the meaning set forth in the Note.

"Depreciation" shall mean the total amounts added to depreciation, amortization, obsolescence, valuation and other proper reserves, as reflected on a Person's financial statements and determined in accordance with GAAP, consistently applied.

"<u>Disability</u>" shall mean, with respect to Ferrer, any Disability as that term is defined in the Employment Agreement.

"Earn-out Agreement" shall have the meaning given to that term in the MIPA.

"EBITDA" shall mean, for any period with respect to Borrower on a consolidated basis, the sum for such period of: (i) Net Income, plus (ii) Interest Charges, plus (iii) all charges against income for foreign, federal and state income Taxes, plus (iv) Depreciation, plus (iv) non-cash extraordinary losses and other non-cash expenses (including any impairment charges in accordance with Federal Accounting Standard Board (FASB) Rules 141 and 142 and any other non-cash charges in accordance with any FASB promulgation), minus (b) the sum for such period of: (i) extraordinary gains, (ii) interest income, and (iii) income or loss attributable to equity in any Affiliate or Subsidiary, in each case to the extent included in determining Net Income for such period.

"Employee Plan" includes any pension, stock bonus, employee stock ownership plan, retirement, profit sharing, deferred compensation, stock option, bonus or other incentive plan, whether qualified or nonqualified, or any disability, medical, dental or other health plan, life insurance or other death benefit plan, vacation benefit plan, severance plan or other employee benefit plan or arrangement, including those pension, profit-sharing and retirement plans of such Person described from time to time in the financial statements of such Person and

any pension plan, welfare plan, Defined Benefit Pension Plans (as defined in ERISA) or any multi-employer plan, maintained or administered by such Person or to which such Person is a party or may have any liability or by which such Person is bound.

"Employment Agreement" shall mean that Employment Agreement between Ferrer, as employee, and Website Technologies LLC, as employer, of on or about even date herewith.

"Environmental Laws" shall mean all present or future foreign, federal, state or local laws, statutes, common law duties, rules, regulations, ordinances and codes, together with all administrative or judicial orders, consent agreements, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case relating to any matter arising out of or relating to public health and safety, or pollution or protection of the environment or workplace, including any of the foregoing relating to the presence, use, production, generation, handling, transport, treatment, storage, disposal, distribution, discharge, emission, release, threatened release, control or cleanup of any Hazardous Substance.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations thereunder, as from time to time in effect.

"  $\underline{\underline{Event\ of\ Default}}$  shall mean any of the events or conditions which are set forth in  $\underline{\underline{Section\ 9}}$  hereof.

"Excess Cash Flow" shall mean, for any applicable period, measured as of the end of such period, the following sum:

[EBITDA] for the applicable period minus [all of the following, to the extent paid in cash during such period: (i) Interest Charges paid during the period, (ii) Capital Expenditures paid during the period, (iii) income Taxes paid during the period by any Obligor, the holders of the Capital Securities of any Obligor or by the beneficiaries of the Ferrer Primary Trust, which are the direct or indirect result of its ownership in Borrower, and (iv) principal payments on the Loan1.

"Excluded Assets" shall mean 100% of Borrower's membership interests in CF Holdings GP LLC, a Delaware limited liability company, and CF Acquisitions LLC, a Delaware limited liability company, together with the ability, directly or indirectly, to control those entities.

"FCPA" shall mean the Foreign Corrupt Practices Act of 1977, as amended from time to time, and the rules and regulations thereunder, as from time to time in effect.

"Ferrer" shall mean Carl A. Ferrer.

"Ferrer Parties" shall mean, severally and collectively, Ferrer, Amstel, Kickapoo River Investments LLC, a Delaware limited liability company, Lupine Holdings, LLC, a Delaware limited liability company, and any Affiliates of any of the foregoing individuals or entities that at any time own any interest, direct or indirect, in Borrower; provided, however, that the Ferrer Parties shall not include April Ferrer. Further, from and after the creation of the Ferrer Trusts, the "Ferrer Parties" shall include the Ferrer Trusts.

"Ferrer Primary Trust" shall mean the Primary Trust, as defined in and established pursuant to The Vicky Ferrer Family Trust Agreement or such trust that serves as the primary trust pursuant to the documentation hereafter created to establish the Ferrer Trusts.

"Ferrer Trusts" shall mean, collectively, the following trusts to be created after the date hereof, together with any other or different trusts to which Ferrer intends to convey any membership interest in Amstel, subject to the requirements of this Agreement: The Vicky Ferrer Family Trust Agreement, and the Primary Trust, the Divorce Trusts and the GST Exempt Trusts, all as to be defined in the The Vicky Ferrer Family Trust Agreement.

"Fixed Charge Coverage Ratio" shall mean, for Borrower, together with the Subsidiary Guarantors, on a consolidated basis for the applicable measurement period, the ratio of (a) EBITDA for such period to (b) the sum of the Fixed Charges for such period.

"Fixed Charges" shall mean, for Borrower, together with the Subsidiary Guarantors, on a consolidated basis for the applicable measurement period, the sum of (a) all regularly scheduled payments of principal on outstanding Debt, (b) Capital Expenditures, (c) Interest Charges, and (d) Taxes, in each case, actually paid in cash during such period.

"GAAP" shall mean generally accepted accounting principles in the United States of America set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), which are applicable to the circumstances as of the date of determination; provided, however, that interim financial statements or reports shall be deemed in compliance with GAAP despite the absence of footnotes and fiscal year-end adjustments as required by GAAP.

"Governmental Authority" shall mean any court, board, agency, commission, office, department, bureau, instrumentality or authority of any nature whatsoever or any governmental unit (foreign, federal, state, commonwealth, county, district, municipality, city or otherwise) whether now or hereafter in existence.

"Guarantor(s)" shall mean, severally and collectively, as the context requires, the Ferrer Parties with respect to the Ferrer Guaranty, as defined in Section 3.1 hereof, the Subsidiary Guarantors with respect to the Subsidiary Guaranty, as defined in Section 3.1 hereof, and any other guarantor that hereafter provides a guaranty in connection with the Loan.

"<u>Guaranty(ies)</u>" shall mean, severally and collectively, as the context requires, the Ferrer Guaranty and the Subsidiary Guaranty, as those terms are defined in <u>Section 3.1</u> hereof, and any other guaranty hereafter provided in connection with the Loan.

"Hazardous Substances" shall mean (a) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, dielectric fluid containing levels of polychlorinated biphenyls, radon gas and mold; (b) any chemicals, materials, pollutant or substances defined as or included in the definition of "hazardous substances", "hazardous waste", "hazardous materials", "extremely hazardous substances", "restricted hazardous waste", "toxic substances", "toxic pollutants", "contaminants", "pollutants" or words of similar import, under any applicable Environmental Law; and (c) any other chemical, material or substance, the exposure to, or release of which is prohibited, limited or regulated by any Governmental Authority or for which any duty or standard of care is imposed pursuant to, any Environmental Law.

"Indemnified Party(ies)" shall mean, severally and collectively, as the context requires, each of Lender and any parent corporation, Affiliate or Subsidiary of Lender, and each of their respective officers, directors, employees, attorneys and agents, and all of such parties and entities.

"Intellectual Property" shall mean the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, patents, trade names, domain names, service marks and trademarks, and all registrations and applications for registration for any of the foregoing and all licensees thereof, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"Interest Charges" shall mean, for any period, the sum of: (a) all interest, charges and related expenses payable with respect to that fiscal period to a lender (including Lender) in connection with borrowed money or the deferred purchase price of assets that are treated as interest in accordance with GAAP, consistently applied, <u>plus</u> (b) the portion of capitalized lease obligations with respect to that fiscal period that should be treated as interest in accordance with GAAP.

"<u>Investment</u>" shall mean, with respect to any Person, any investment in another Person, whether by acquisition of any debt or equity security, by making any loan or advance, or by becoming obligated with respect to a contingent liability in respect of obligations of such other Person.

"Lender" shall mean New Lender and Original Lender, severally or collectively, as the context requires.

"<u>Liabilities</u>" shall mean at all times all liabilities of such Person that would be shown as such on a balance sheet of such Person prepared in accordance with GAAP.

"Lien" shall mean, with respect to any Person, any interest granted by such Person in any real or personal property, asset or other right owned or being purchased or acquired by such Person (including an interest in respect of a capital lease) which secures payment or performance of any obligation and shall include any mortgage, lien, encumbrance, title retention

lien, charge or other security interest of any kind, whether arising by contract, as a matter of law, by judicial process or otherwise.

"Loan" shall mean all amounts that may be advanced at any time, and from time to time, by Lender for the payment of any Obligations, as evidenced in any Note.

"Loan Documents" shall mean each of the agreements, documents, instruments and certificates set forth in Section 3.1 hereof, and any and all such other instruments, documents, certificates and agreements from time to time executed and delivered by Borrower, the Guarantors or any of their Subsidiaries for the benefit of Lender in connection with the Loan or pursuant to any of the foregoing, and all amendments, restatements, supplements and other modifications thereto.

"Material Adverse Effect" shall mean (a) a material adverse change in, or a material adverse effect upon, the assets, business, properties, prospects, condition (financial or otherwise) or results of operations of Borrower, Guarantors or any of their respective Subsidiaries, (b) a material impairment of the ability of any Obligor to perform any of the Obligations under any of the Loan Documents, or (c) a material adverse effect on (i) any substantial portion of the Collateral, (ii) the legality, validity, binding effect or enforceability against any Obligor of any of the Loan Documents, (iii) the perfection or priority of any Lien granted to Lender under any Loan Document, or (iv) the rights or remedies of Lender under any Loan Document.

"Maturity Date" shall mean the earlier of (a) March 31, 2021, or (b) acceleration by Lender upon an Event of Default.

"MIPA" shall have the meaning given to that term in the Recitals to this Agreement.

"Net Cash Proceeds" means, with respect to any event, (a) the cash proceeds actually received in respect of such event including (i) any cash received in respect of any noncash proceeds (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but excluding any interest payments), but only as and when received, (ii) any reduction in (or refund of) the amount of any applicable reserves, (iii) in the case of a casualty, insurance proceeds, and (iv) in the case of a condemnation or similar event, condemnation awards and similar payments, net of (b) the sum of (i) all fees and out-of-pocket expenses paid to third parties (other than Affiliates) in connection with such event, and (ii) in the case of a sale, transfer or other disposition of an asset (including pursuant to a sale and leaseback transaction or a casualty or a condemnation or similar proceeding), the amount of all payments made from such proceeds to repay Debt secured by such assets and required to be paid in connection with the sale, transfer or other disposition, in each case during the year that such event occurred or the next succeeding year and that are directly attributable to such event (as determined reasonably and in good faith by Lender). Further, with respect to an event of the nature described in item (b) of the definition of "Prepayment Event", the Net Cash Proceeds shall be further adjusted to exclude the portion of any proceeds, if any, that Lender, in its sole discretion, allows to be used for restoration or replacement of the subject property or asset.

"Net Income" shall mean, with respect to a Person for any period, the net income (or loss) of such Person for such period as determined in accordance with GAAP, consistently applied, excluding any extraordinary gains and any gains from discontinued operations.

"Non-Excluded Taxes" shall have the meaning set forth in Section 2.4(a) hereof.

"Note" shall mean, severally and collectively, as the context requires, each and every promissory note and other written evidence of indebtedness evidencing Borrower's obligation to repay the Loan, including, without limitation, (i) the Closing Note (including any modification, amendment and/or restatement of the Closing Note to evidence the Post-Closing Adjustment), (ii) any additional note to evidence the Post-Closing Adjustment, and (iii) any note or other documentation evidencing the additional Purchase Price required to be paid pursuant to the Earn-out Agreement, including without limitation, if applicable, the Additional Promissory Note (as defined in the Earn-out Agreement); together with any and all renewals, extensions, modifications or replacement notes with respect to any of the foregoing.

"Obligations" shall mean the Loan, all indebtedness evidenced by the Note, all interest accrued thereon (including interest which would be payable as post-petition in connection with any bankruptcy or similar proceeding, whether or not permitted as a claim thereunder), any fees due Lender hereunder, any expenses incurred by Lender hereunder, including without limitation, all liabilities and obligations under this Agreement, under any other Transaction Document, and any and all other liabilities and obligations owed by the Obligors to Lender from time to time, howsoever created, arising or evidenced, whether direct or indirect, joint or several, absolute or contingent, now or hereafter existing, or due or to become due, together with any and all renewals, extensions, restatements or replacements of any of the foregoing.

"Obligor(s)" shall mean, severally and collectively, as the context requires, Borrower, Guarantors, Amstel River Holdings, LLC, a Delaware limited liability company, any accommodation endorser, any third party pledgor, and any other party liable with respect to the Obligations. For purposes of Articles 5, 6 and 7 hereof, the term "Obligor" also shall be deemed to include the Subsidiaries of each Obligor.

"OFAC" shall mean the U.S. Department of the Treasury's Office of Foreign Assets Control.

"Ordinary Course" means, with respect to any Obligor, the ordinary course of such Obligor's business as conducted on the Closing Date and, as may be modified from time to time thereafter in the good faith, reasonable business judgment of such Obligor.

"Organizational Identification Number" means, with respect to a Person, the organizational identification number assigned to such Person by the applicable Governmental Authority of the jurisdiction of organization of such Person.

"Other Taxes" shall mean any present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies which arise from the execution, delivery, enforcement or registration of, or otherwise with respect to, this Agreement or any of the other Transaction Documents.

"Permitted Liens" shall mean only (i) Liens granted to Lender; and (ii) the Lien of Taxes and assessments not past due or delinquent.

"Person" shall mean any natural person, partnership, limited liability company, corporation, trust, joint venture, joint stock company, association, unincorporated organization, government or agency or political subdivision thereof, or other entity, whether acting in an individual, fiduciary or other capacity.

"Pledge Agreement(s)" shall mean, severally and collectively, as the context requires, the Ferrer Pledge Agreement, the Amstel Pledge Agreement, the Kickapoo/Lupine Pledge Agreement, the Borrower Pledge Agreement and the CF Pledge Agreement, as those terms are defined in Section 3.1 hereof, and any other pledge agreement hereafter provided in connection with the Loan.

"Post-Closing Adjustment" shall mean the sum of (i) the Post-Closing Adjustment as that term is defined in the MIPA, plus (ii) the amount of the Closing costs in connection with the Obligations that are funded by Lender.

#### "Prepayment Event" means:

- (a) any sale, transfer or other disposition (including pursuant to a sale and leaseback transaction) of any property or asset of Borrower or any of its Subsidiaries outside the Ordinary Course; or
- (b) any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of Borrower or any of its Subsidiaries; or
- (c) the incurrence by Borrower or any of its Subsidiaries of any Debt, other than Debt permitted hereunder; or
- (d) any infusion of capital into Borrower or any other Obligor or any Subsidiary of any Obligor pursuant to the issuance or sale of any Capital Securities (provided that the foregoing shall not limit the complete prohibition on the sale or issuance of such Capital Securities set forth in Section 7.6 hereof); or
- (e) any sale of any of the Capital Securities of Borrower, of any other Obligor, of any Subsidiary of any Obligor, or of any Affiliate of any of the foregoing.

"Prohibited Liens" shall mean all Liens other than Permitted Liens.

"<u>Purchase Price</u>" shall mean the full purchase price owing from Borrower to Lender under the MIPA, which includes all of the following components: (i) a base purchase price of \$525,700,000, (ii) any further purchase price owing by virtue of the Post-Closing Adjustment, and (iii) any further purchase price owing pursuant to the Earn-Out Agreement.

"Sanctioned Country" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at

http://www.treas.gov/offices/enforcement/ofac/sanctions/index.html, or as otherwise published from time to time.

"Sanctioned Person" shall mean (i) a person named on the list of Specially Designated Nationals or Blocked Persons maintained by OFAC available at <a href="http://www.treas.gov/offices/enforcement/ofac/sdn/index.html">http://www.treas.gov/offices/enforcement/ofac/sdn/index.html</a>, or as otherwise published from time to time, or (ii) (A) an agency of the government of a Sanctioned Country, (B) an organization controlled by a Sanctioned Country, or (C) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

"Security Agreement(s)" shall mean, severally and collectively, as the context requires, the Borrower Security Agreement and the Subsidiary Security Agreement, as those terms are defined in Section 3.1 hereof, along with any other security agreement hereafter provided in connection with the Loan.

"Security Documents" shall mean the Security Agreements and all other documents required by Lender to grant and perfect the liens and security interests required herein.

"SPE Covenants" shall mean those covenants set forth on Schedule A attached hereto.

"Subsidiary" and "Subsidiaries" shall mean, respectively, with respect to any Person, each and all such corporations, partnerships, limited partnerships, limited liability companies, limited liability partnerships, joint ventures or other entities of which or in which such Person owns, directly or indirectly, such number of outstanding Capital Securities as have more than 50.00% of the ordinary voting power for the election of directors or other managers of such corporation, partnership, limited liability company or other entity. Unless the context otherwise requires, each reference to Subsidiaries herein shall be a reference to Subsidiaries of Borrower.

"Subsidiary Guarantor(s)" shall mean, severally and collectively, as the context requires, each and all of the following entities: Dartmoor Holdings, LLC, a Delaware limited liability company; Website Technologies, LLC, a Delaware limited liability company; IC Holdings, LLC, a Delaware limited liability company; Posting Solutions, LLC, a Delaware limited liability company; Backpage.com, LLC, a Delaware limited liability company; and Postfaster, LLC, a Delaware limited liability company. Further, the term "Subsidiary Guarantors" also shall include any future Subsidiaries of Borrower that enter into a separate Guaranty or a joinder to the Subsidiary Guaranty after the Effective Date.

"Taxes" shall mean any and all present and future taxes, duties, levies, imposts, deductions, assessments, charges or withholdings, and any and all liabilities (including interest and penalties and other additions to taxes) with respect to the foregoing.

"Transaction Documents" means the Loan Documents, the MIPA and any other instruments, documents, certificates and agreements from time to time executed and delivered by Borrower, the Guarantors or any of their Subsidiaries for the benefit of Lender in connection

with the transactions contemplated in the MIPA, and all amendments, restatements, supplements and other modifications to the MIPA or any of the other foregoing documents.

"UGC" shall mean UGC Tech Group CV, a Dutch limited partnership.

"<u>UGC Loan</u>" shall have the meaning given to that term in the UGC Loan Agreement,

"<u>UGC Loan Agreement</u>" shall mean that Loan Agreement (Backpage Foreign Operations) of on or about even date between Lender and UGC.

" $\underline{UCC}$ " shall mean the Uniform Commercial Code in effect in the state of Delaware from time to time.

"Unmatured Event of Default" shall mean any event which, with the giving of notice, the passage of time or both, would constitute an Event of Default.

"Voidable Transfer" shall have the meaning set forth in Section 11.19 hereof.

"Wholly-Owned Subsidiary" shall mean any Subsidiary of which or in which a Person owns, directly or indirectly, one hundred percent (100%) of the Capital Securities of such Subsidiary.

Accounting Terms. Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given them in accordance with GAAP. Calculations and determinations of financial and accounting terms used and not otherwise specifically defined hereunder and the preparation of financial statements to be furnished to Lender pursuant hereto shall be made and prepared, both as to classification of items and as to amount, in accordance with sound accounting practices and GAAP as used in the preparation of the financial statements of each Obligor and any Subsidiaries on the date of this Agreement. If any changes in accounting principles or practices from those used in the preparation of the financial statements are hereafter occasioned by the promulgation of rules, regulations, pronouncements and opinions by or required by the Financial Accounting Standards Board or the American Institute of Certified Public Accountants (or any successor thereto or agencies with similar functions), which results in a material change in the method of accounting in the financial statements required to be furnished to Lender hereunder or in the calculation of financial covenants, standards or terms contained in this Agreement, the parties hereto agree to enter into good faith negotiations to amend such provisions so as equitably to reflect such changes to the end that the criteria for evaluating the financial condition and performance of Obligors will be the same after such changes as they were before such changes; and if the parties fail to agree on the amendment of such provisions, Borrower will furnish financial statements in accordance with such changes, but shall provide calculations for all financial covenants, perform all financial covenants and otherwise observe all financial standards and terms in accordance with applicable accounting principles and practices in effect immediately prior to such changes. Calculations with respect to financial covenants required to be stated in accordance with applicable accounting principles and practices in effect immediately prior to such changes shall be reviewed and certified by Borrower's accountants.

1.3 Other Terms Defined in UCC. All other capitalized words and phrases used herein and not otherwise specifically defined herein shall have the respective meanings assigned to such terms in the UCC, to the extent the same are used or defined therein.

# 1.4 Other Interpretive Provisions.

- (a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms. Whenever the context so requires, the neuter gender includes the masculine and feminine, the single number includes the plural, and vice versa.
- (b) Section and Schedule references are to this Agreement unless otherwise specified. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.
- (c) The term "including" is not limiting, and means "including, without limitation".
- (d) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding", and the word "through" means "to and including".
- (e) Unless otherwise expressly provided herein, (i) references to agreements (including this Agreement and the other Transaction Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, supplements and other modifications thereto, but only to the extent such amendments, restatements, supplements and other modifications are not prohibited by the terms of any Transaction Document, and (ii) references to any statute or regulation shall be construed as including all statutory and regulatory provisions amending, replacing, supplementing or interpreting such statute or regulation.
- (f) To the extent any of the provisions of the other Transaction Documents are inconsistent with the terms of this Agreement, the provisions of this Agreement shall govern.
- (g) This Agreement and the other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are separate and distinct, and each shall be performed in accordance with its terms.

# 2. LOAN.

#### 2.1 <u>Loan</u>.

(a) <u>Loan</u>. Subject to the terms and conditions of this Agreement and the other Loan Documents, and in reliance upon the representations and warranties of Borrower set forth herein and in the other Loan Documents, Lender hereby makes the Loan to Borrower. The Loan is being made in a single advance, in the form of a credit, for the purpose of paying the Purchase Price under the MIPA. The Loan shall be used by Borrower solely for the purpose of paying the

Purchase Price under the MIPA. The Loan shall be due in full on the Maturity Date, unless the Obligations under the Loan are otherwise accelerated as provided in this Agreement.

- (b) <u>Loan Principal and Interest and Payments</u>. Payments of principal and accrued interest on the Loan shall be payable as set forth in the Note. Without limiting the preceding sentence, the Closing Note shall provide for the payment by Borrower in arrears of any quarterly Excess Cash Flow; provided, however, that payments of Excess Cash Flow shall not be required at any time when all of the Obligations have been paid in full, other than the Additional Note (as defined in the Earn-Out Agreement).
- (c) Optional and Mandatory Prepayments. Borrower may from time to time prepay the Loan, in whole or in part, without any prepayment penalty whatsoever; provided that any prepayment of the entire principal balance of the Loan shall include accrued interest on such Loan to the date of such prepayment. In the event and on each occasion that any Net Cash Proceeds are received by or on behalf of Borrower or any of its Subsidiaries in respect of any Prepayment Event, Borrower shall, immediately after such Net Cash Proceeds are received by Borrower, prepay the Obligations in an aggregate amount equal to 100% of such Net Cash Proceeds.
- (d) <u>Loan Fees.</u> On or before the Effective Date, Borrower shall pay to Lender an initial Loan administration fee of \$75,000.00, which fee shall be nonrefundable and shall be fully earned as of the Effective Date. Commencing on July 1, 2015 and on or before the first day of each calendar quarter thereafter, Borrower shall pay to Lender an additional Loan administration fee of \$75,000.00 (\$300,000.00 annually) (each, a "<u>Loan Administration Fee</u>"), which Loan Administration Fee shall be nonrefundable and shall be fully earned as of its due date. Borrower also shall pay ongoing future fees for certain additional administrative and professional services provided by Lender pursuant to the Consulting Agreement.
- 2.2 <u>Closing</u>. The closing of the transactions contemplated herein (the "<u>Closing</u>") shall take place on the Effective Date through the electronic exchange of executed documents. The date on which the Closing occurs is referred to herein as the "Closing Date".
- 2.3 <u>Collection of Funds</u>. All payments made by any Obligor hereunder or under any of the Loan Documents shall be made without setoff, counterclaim, or other defense. All payments due under the Loan must be made by wire transfer or other immediately available funds.

#### 2.4 Taxes.

(a) All payments made by Obligors under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future Taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, excluding net income Taxes and franchise Taxes (imposed in lieu of net income Taxes) imposed on Lender as a result of a present or former connection between Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein. If any such non-excluded Taxes, levies, imposts, duties, charges, fees,

deductions or withholdings (collectively, "Non-Excluded Taxes") or Other Taxes are required to be withheld from any amounts payable to Lender hereunder, the amounts so payable to Lender shall be increased to the extent necessary (after payment of all Non-Excluded Taxes and Other Taxes) so that Lender receives an amount equal to the sum it would have received had no such deductions been made.

- (b) Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.
- (c) At the request of Borrower and at Borrower's sole cost, Lender shall take reasonable steps to (i) contest its liability for any Non-Excluded Taxes or Other Taxes that have not been paid, or (ii) seek a refund of any Non-Excluded Taxes or Other Taxes that have been paid by Lender.
- (d) Whenever any Non-Excluded Taxes or Other Taxes are payable by Borrower, promptly thereafter Borrower shall send to Lender a copy of an official receipt received by Borrower showing payment thereof. If Borrower fails to pay any Non-Excluded Taxes or Other Taxes when due to the appropriate Governmental Authority or fails to remit to Lender the required receipts or other required documentary evidence or if any Governmental Authority seeks to collect a Non-Excluded Tax or Other Tax directly from Lender for any other reason, Borrower shall indemnify Lender on an after-tax basis for any incremental Taxes, interest or penalties that may become payable by Lender.
- (e) The agreements in this <u>Section 2.4</u> shall survive the satisfaction and payment of the Obligations and the termination of this Agreement.
- 2.5 <u>Post Closing Transfer to Ferrer Primary Trust</u>. Borrower has indicated that Ferrer desires to convey his membership interest in Amstel into the Ferrer Primary Trust following Closing. Borrower acknowledges that such a conveyance will constitute an Event of Default if consummated without the consent of Lender. Lender has indicated that it will consider providing approval of such a post-closing transfer, subject to all of the following requirements:
- (a) All documentation for the Ferrer Trusts must be provided to Lender for review in advance of their creation, and must be in form and content satisfactory to Lender;
- (b) The Ferrer Trusts must become direct obligors under the Ferrer Guaranty pursuant to a guaranty joinder or other documentation in form and content acceptable to Lender;
- (c) The Ferrer Trusts must collaterally assign their interests in the Amstel membership interest to Lender pursuant to an assignment joinder or other documentation in form and content acceptable to Lender;
  - (d) Each of the Ferrer Trusts must appoint Ferrer as sole trustee;
- (e) Each of the Ferrer Trusts must prohibit April Ferrer and any other beneficiaries of any of the Ferrer Trusts from asserting any management or control over the Ferrer Trusts pursuant to documentation in form and content acceptable to Lender;

- (f) The Ferrer Trusts must indemnify Lender and all Lender Affiliates pursuant to an indemnification in form and content acceptable to Lender, and including without limitation indemnification from any loss or damage arising from any one or more of the following: (i) the creation of the Ferrer Trusts, (ii) the transfer of the Amstel membership interest or any other property into the Ferrer Trusts, (iii) the management or assertion of control by any party other than Ferrer of any assets in the Ferrer Trusts, (iv) any adverse tax consequence to Amstel or any other Borrower Affiliate arising by virtue of the creation, continuation, operation, or management of the Ferrer Trusts (including without limitation the revocation of Amstel's Subchapter S election), or (v) any actions taken by the Ferrer Trusts to impede or delay the rights or remedies provided to Lender under the Loan Documents.
- (g) Lender shall be provided with an opinion of counsel, in form and substance satisfactory to Lender, covering, at a minimum, (i) the due formation and valid existence of the Ferrer Trusts, (ii) the enforceability of the transfers of the Amstel membership interest and any other property into the Ferrer Trusts, (iii) that none of (a) the transfer of the Amstel membership interest or any other property into the Ferrer Trusts, (b) the management or assertion of control by any of the Ferrer Trusts over any such assets, nor (c) the retention of Ferrer as sole trustee of each of the Ferrer Trusts, will impact the anticipated tax treatment of Amstel (including its Subchapter S election) or any other Borrower Affiliates, (iii) the enforceability of the ownership and control restrictions precluding April Ferrer and any other beneficiaries of the Ferrer Trusts from asserting any management or control over the Ferrer Trusts.
- 3. <u>CLOSING DELIVERABLES.</u> Concurrently with the execution and delivery of this Agreement, Borrower shall cause all of the following documents and deliverables to be executed (as applicable) and delivered to Lender, all of which must be satisfactory to Lender and Lender's counsel in form, substance and execution:

#### 3.1 Loan Documents.

- (a) Loan Agreement. This Agreement executed by Borrower.
- (b) Note. The Closing Note executed by Borrower.
- (c) Security Agreements.
- (i) <u>Borrower Security Agreement</u>. A valid and effective security agreement dated on or about the date of this Agreement, executed by Borrower, granting Lender a valid and enforceable security interest in all of its personal property, subject to no prior Liens except Permitted Liens (the "<u>Borrower Security Agreement</u>").
- (ii) <u>Subsidiary Security Agreement</u>. A valid and effective security agreement dated on or about the date of this Agreement, executed by each Subsidiary Guarantor, granting Lender a valid and enforceable security interest in all of the personal property of each such Subsidiary Guarantor, subject to no prior Liens, except Permitted Liens (the "<u>Subsidiary Security Agreement</u>").

#### (d) Guaranties.

- (i) <u>Ferrer Guaranty</u>. A Continuing Conditional Guaranty dated on or about the date of this Agreement, executed by the Ferrer Parties to and for the benefit of Lender, with a disclaimer from April Ferrer (the "<u>Ferrer Guaranty</u>").
- (ii) <u>Subsidiary Guaranty</u>. A Continuing Unconditional Guaranty dated on or about the date of this Agreement, executed by each and every Subsidiary Guarantor (the "<u>Subsidiary Guaranty</u>").
- (e) <u>Pledge Agreements</u>. Borrower shall provide, and cause to be provided, all of the following pledge agreements, provided, however, that Lender may exclude or further limit the scope of any such pledge agreements at its election:
- (i) <u>Ferrer Pledge Agreement</u>. A Pledge Agreement dated on or about the date of this Agreement, executed by Ferrer, pledging 100% of the membership interests in Amstel (but limited to only 65% of the indirect membership interest in UGC), as more specifically described therein with a consent from April Ferrer (the "<u>Ferrer Pledge Agreement</u>").
- (ii) Amstel Pledge Agreement. A Pledge Agreement dated on or about the date of this Agreement, executed by Amstel, pledging 100% of the membership interests in Kickapoo River Investments LLC, a Delaware limited liability company, and Lupine Holdings, LLC, a Delaware limited liability company (but limited as to each such entity to only 65% of the indirect membership interest in UGC), as more specifically described therein. (the "Amstel Pledge Agreement").
- (iii) <u>Kickapoo/Lupine Pledge Agreement</u>. A Pledge Agreement dated on or about the date of this Agreement, executed by Kickapoo River Investments LLC, a Delaware limited liability company, and Lupine Holdings, LLC, a Delaware limited liability company, pledging 100% of the membership interests in Borrower (but limited to only 65% of the indirect membership interest in UGC), as more specifically described therein. (the "Kickapoo/Lupine Pledge Agreement").
- (iv) <u>Borrower Pledge Agreement</u>. A Pledge Agreement dated on or about the date of this Agreement, executed by Borrower, as pledgor, pledging 100% of the membership interests in each of CF Holdings GP LLC, a Delaware limited liability company, and CF Acquisitions LLC, a Delaware limited liability company (but limited as to each such entity to only 65% of the indirect membership interest in UGC), as more specifically described therein (the "Borrower Pledge Agreement").
- (v) <u>CF Pledge Agreement</u>. A Pledge Agreement dated on or about the date of this Agreement, executed by CF Holdings GP LLC, a Delaware limited liability company, and CF Acquisitions LLC, a Delaware limited liability company, pledging 65% of the membership interests in UGC, as more specifically described therein (the "<u>CF Pledge Agreement</u>").
- (f) <u>Control Agreements</u>. Fully executed Control Agreements with each bank or financial institution holding any deposit accounts with respect to all such accounts, all in form

and content acceptable to Lender; provided, however, that if any such Control Agreements are not executed by the Closing Date, the Closing may still occur with Lender's written consent to accepting such Control Agreements as a post-closing item, such consent not to be unreasonably withheld. If Lender consents to accepting such Control Agreements as a post-closing item, if such Control Agreements are not delivered to Lender within thirty (30) days after the Closing Date, the failure of Borrower to deliver such Control Agreements to Lender shall be an immediate Event of Default without any further requirement for notice or opportunity to cure.

(g) <u>Collateral Assignment of Services and Cost Sharing Agreement.</u> A Collateral Assignment of Services and Cost Sharing Agreement, executed by Borrower and UGC, in the form prepared by and acceptable to Lender.

#### (h) Employment & Non-compete Agreements.

- (i) <u>Ferrer Employment & Non-compete Agreement</u>. An Employment & Non-compete Agreement, executed by Ferrer, in the form prepared by and acceptable to Lender.
- (ii) Hyer Employment & Non-compete Agreement. An Employment & Non-compete Agreement, executed by Dan Hyer, in the form prepared by and acceptable to Lender; provided, however, that if such Employment & Non-compete Agreement is not executed by the Closing Date, the Closing may still occur with Lender's written consent to accepting such Employment and Non-compete Agreement as a post-closing item, such consent not to be unreasonably withheld. If Lender consents to accepting such Employment and Non-compete Agreement as a post-closing item, if such Employment & Non-compete Agreement is not delivered to Lender within ninety (90) days after the Closing Date, the failure of Borrower to deliver such Employment & Non-compete Agreement to Lender shall be an immediate Event of Default without any further requirement for notice or opportunity to cure.
- (iii) <u>Kiapig Employment & Non-compete Agreement</u>. An Employment & Non-compete Agreement, executed by Joe Kiapig, in the form prepared by and acceptable to Lender <u>provided</u>, <u>however</u>, <u>that</u> if such Employment & Non-compete Agreement is not executed by the Closing Date, the Closing may still occur with Lender's written consent to accepting such Employment and Non-compete Agreement as a post-closing item, such consent not to be unreasonably withheld. If Lender consents to accepting such Employment and Non-compete Agreement as a post-closing item, if such Employment & Non-compete Agreement is not delivered to Lender within ninety (90) days after the Closing Date, the failure of Borrower to deliver such Employment & Non-compete Agreement to Lender shall be an immediate Event of Default without any further requirement for notice or opportunity to cure.

# 3.2 Organizational and Authorization Documents.

(a) <u>Borrower</u>. Copies of (i) the organizational documents of Borrower; (ii) resolutions of Borrower approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is party and the transactions contemplated hereby and thereby; (iii) signature and incumbency certificates of the officers, members, managers and/or partners of Borrower, executing this Agreement and the other Loan

Documents, each of which Borrower hereby certifies to be true and complete, and in full force and effect without modification, it being understood that Lender may conclusively rely on each such document and certificate until formally advised by Borrower of any changes therein; and (iv) if requested by Lender, good standing certificates in the state of organization of Borrower.

- (b) <u>Subsidiary Guarantors</u>. For each Subsidiary Guarantor, copies of its (i) organizational documents; (ii) resolutions approving and authorizing the execution, delivery and performance of the Loan Documents to which it is party and the transactions contemplated thereby; (iii) signature and incumbency certificates of its officers, members, managers and/or partners executing any of the Loan Documents, each of which Borrower hereby certifies to be true and complete, and in full force and effect without modification, it being understood that Lender may conclusively rely on each such document and certificate until formally advised by Borrower or the applicable Subsidiary Guarantor of any changes therein; and (iv) a good standing certificate in its state of organization and in each other state requested by Lender.
- (c) Other Affiliate Parties. For each other Affiliate providing any pledge, assignment, guaranty or other agreement in connection with the Loan (including, without limitation, Amstel, CF Holdings GP LLC, and CF Acquisitions LLC), copies of its (i) organizational documents; (ii) resolutions approving and authorizing the execution, delivery and performance of the Loan Documents to which it is party and the transactions contemplated thereby; (iii) signature and incumbency certificates of its officers, members, managers and/or partners executing any of the Loan Documents, each of which Borrower hereby certifies to be true and complete, and in full force and effect without modification, it being understood that Lender may conclusively rely on each such document and certificate until formally advised by Borrower or the applicable entity of any changes therein; and (iv) if required by Lender, a good standing certificate in its state of organization.
- 3.3 <u>Perfection Certificate</u>. A perfection certificate in form and substance satisfactory to Lender.
- 3.4 <u>Insurance</u>. Evidence satisfactory to Lender of the existence of insurance required to be maintained pursuant to <u>Section 7.5</u>, together with evidence that Lender has been named as a Lender's loss payee and as an additional insured on all related insurance policies.
- 3.5 <u>Additional Documents</u>. Such other certificates, financial statements, schedules, resolutions, opinions of counsel, notes and other documents which are provided for hereunder or which Lender shall require.

# 4. NOTE.

4.1 Note. The Loan shall be evidenced by the Note. At the time of the disbursement of the Loan, or a repayment made in whole or in part thereon, a notation thereof shall be made on the books and records of Lender. All amounts recorded shall be, absent demonstrable error, conclusive and binding evidence of (i) the principal amount of the Loan advanced hereunder, (ii) any accrued and unpaid interest owing on the Loan and (iii) all amounts repaid on the Loan. The failure to record any such amount or any error in recording such amounts shall not, however,

limit or otherwise affect the obligations of Borrower under the Note to repay the principal amount of the Loan, together with all interest accruing thereon.

## 5. SECURITY FOR THE OBLIGATIONS.

#### 5.1 Security for Obligations.

- (a) <u>Borrower Collateral</u>. As security for the payment and performance of the Obligations, Borrower does hereby pledge, assign, transfer, deliver and grant to Lender a continuing and unconditional first priority security interest in and to any and all property of Borrower, of any kind or description, tangible or intangible, wheresoever located and whether now existing or hereafter arising or acquired, as more particularly described in the Security Agreement, but excluding the Excluded Assets (all of which property, along with the products and proceeds therefrom, but excluding the Excluded Assets, are individually and collectively referred to as the "<u>Borrower Collateral</u>").
- (b) <u>Subsidiary Collateral</u>. As security for the payment and performance of the Obligations, Borrower shall cause each Subsidiary Guarantor to pledge, assign, transfer, deliver and grant to Lender a continuing and unconditional first priority security interest in and to any and all property of such Subsidiary Guarantor, of any kind or description, tangible or intangible, wheresoever located and whether now existing or hereafter arising or acquired, as more particularly described in the Subsidiary Security Agreement (all of which property, along with the products and proceeds therefrom, are individually and collectively referred to as the "Subsidiary Collateral").
- 5.2 <u>Financing Statements</u>. Borrower shall, and shall cause each Subsidiary Guarantor to, at Lender's request, at any time and from time to time, execute and deliver to Lender such financing statements, amendments and other documents and do such acts as Lender deems necessary in order to establish and maintain valid, attached and perfected first priority security interests in the Collateral in favor of Lender, free and clear of all Liens and claims and rights of third parties whatsoever, except Permitted Liens. Borrower hereby irrevocably authorizes, and shall cause each Subsidiary Guarantor to irrevocably authorize, Lender at any time, and from time to time, to file in any jurisdiction any initial financing statements and amendments thereto. Borrower further ratifies and affirms its authorization for any financing statements and/or amendments thereto, executed and filed by Lender in any jurisdiction prior to the date of this Agreement. In addition, Borrower shall and shall cause each Subsidiary Guarantor to, make appropriate entries on its books and records disclosing Lender's security interests in the Collateral.
- 5.3 Additional Collateral. Borrower acknowledges that the intent is for the Collateral at all times to include all of the assets of Borrower, other than the Excluded Assets. Consequently, Borrower agrees that it shall deliver to Lender immediately upon demand, such other collateral as Lender may from time to time request, and does hereby grant to Lender a continuing security interest in such other collateral, which, when pledged, assigned and transferred to Lender shall be and become part of the Collateral. Lender's security interests in all of the foregoing Collateral shall be valid, complete and perfected whether or not covered by a specific assignment.

5.4 Other Actions as to any and all Collateral. Borrower further agrees to take any other action reasonably requested by Lender to ensure the attachment, perfection and first priority of, and the ability of Lender to enforce, Lender's security interest in any and all of the Collateral. Borrower further agrees to indemnify and hold Lender harmless against claims of any Persons not a party to this Agreement concerning disputes arising over the Collateral.

## 6. REPRESENTATIONS AND WARRANTIES.

To induce Lender to make the Loan, Borrower makes the following representations and warranties to Lender, each of which shall survive the execution and delivery of this Agreement.

- 6.1 Organization; Name; Books and Records. Each of Borrower, Guarantor and their Subsidiaries is duly organized, existing and in good standing under the laws of the jurisdiction of its formation, with full and adequate power to carry on and conduct its business as presently conducted. Each of Borrower, Guarantor and their Subsidiaries is duly licensed or qualified in all foreign jurisdictions wherein the nature of its activities require such qualification or licensing, unless the failure to be so licensed or qualified would not have a Material Adverse Effect. The exact legal name of Borrower is as set forth in the first paragraph of this Agreement, and Borrower currently does not conduct, nor has it during the last five (5) years conducted, business under any other name or trade name. Each location where any Obligor keeps any Collateral and/or any books and records concerning any Collateral or it business is set forth on Schedule 6.1.
- Authorization. Borrower has full right, power and authority to enter into this Agreement, to make the borrowings and execute and deliver the Loan Documents as provided herein and to perform all of its duties and obligations under this Agreement and the other Loan Documents. Each other Obligor has full right, power and authority to enter into the Loan Documents to which it is a party and to perform all of its duties and obligations under the Loan Documents to which it is a party. The execution and delivery of this Agreement and the other Loan Documents will not, nor will the observance or performance of any of the matters and things herein or therein set forth, violate or contravene any provision of law or of the organizational documents of Borrower or any other Obligor. All necessary and appropriate action has been taken on the part of each Obligor to authorize the execution and delivery of this Agreement and the Loan Documents to which it is a party.
- 6.3 <u>Validity and Binding Nature</u>. This Agreement and the other Loan Documents are the legal, valid and binding obligations of each Obligor, as the case may be, enforceable against such Obligor in accordance with their terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.
- 6.4 <u>Consent; Absence of Breach.</u> The execution, delivery and performance of this Agreement, the other Loan Documents and any other documents or instruments to be executed and delivered by Borrower and/or any other Obligor, as the case may be, in connection with the Loan hereunder, do not and will not (a) require any consent, approval, authorization of, or filings with, notice to or other act by or in respect of, any Governmental Authority or any other Person (other than any consent or approval which has been obtained and is in full force and effect); (b) conflict with (i) any provision of law or any applicable regulation, order, writ, injunction or

decree of any court or Governmental Authority, (ii) the organizational documents of any Obligor, or (iii) any material agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon any Obligor or any of it properties or assets; or (c) require, or result in, the creation or imposition of any Lien on any asset of any Obligor, other than Liens in favor of Lender.

- 6.5 Ownership of Properties; Liens. Each Obligor is the sole owner of all of its properties and assets that are encumbered by the Security Documents, free and clear of all Liens, charges and claims, other than Permitted Liens.
- 6.6 Equity Ownership. All issued and outstanding Capital Securities of each Obligor are duly authorized and validly issued, fully paid, non-assessable, and free and clear of all Liens other than those in favor of Lender, if any, and such Capital Securities were issued in compliance with all applicable foreign, federal and state laws concerning the issuance of securities. As of the date hereof, there are no pre-emptive or other outstanding rights, options, warrants, conversion rights or other similar agreements or understandings for the purchase or acquisition of any Capital Securities of any Obligor.
- 6.7 <u>Intellectual Property.</u> Each Obligor owns and possesses or has a license or other right to use all Intellectual Property as are necessary for the conduct of the business of such Obligor as currently conducted, without any infringement upon rights of others, and no material claim has been asserted and is pending by any Person challenging or questioning any Obligor's use of any Intellectual Property or the validity or effectiveness of any Intellectual Property owned or licensed by any Obligor nor does Borrower know of any valid basis for any such claim.
- 6.8 <u>Financial Statements</u>. All financial statements submitted to Lender have been prepared in accordance with sound accounting practices and GAAP on a basis, except as otherwise noted therein, consistent with the previous fiscal year and present fairly in all material respects the financial condition of such Person and the results of the operations for such Person as of such date and for the periods indicated. Since the date of the most recent financial statement submitted by Borrower to Lender, there has been no material change in the financial condition or in the assets or liabilities of Borrower or any other Person for which financial statements were submitted.
- 6.9 <u>Litigation and Contingent Liabilities</u>. Except for any litigation, arbitration, proceeding, demand, charge, claim, petition or governmental investigation to which Lender or a Lender Affiliate was party prior to Closing, there is no litigation, arbitration proceeding, demand, charge, claim, petition or governmental investigation or proceeding pending, or to the knowledge of Borrower, threatened, against any Obligor. Except for any litigation, arbitration, proceeding, demand, charge, claim, petition or governmental investigation to which Lender or a Lender Affiliate was party prior to Closing, no Obligor has any material guarantee obligations, contingent liabilities, liabilities for Taxes, or any long-term leases or forward or long-term commitments, including any interest rate or foreign currency swap or exchange transaction or other obligation in respect of derivatives.
- 6.10 Event of Default. No Event of Default or Unmatured Event of Default exists or would result from the incurrence by any Obligor of any of the Obligations hereunder or under

any of the other Loan Documents, and no Obligor is in default (without regard to grace or cure periods) under any other contract or agreement to which it is a party.

- 6.11 <u>Adverse Circumstances</u>. No condition, circumstance, event, agreement, document, instrument, restriction, litigation or proceeding (or to the knowledge of Borrower, after due inquiry, threatened litigation or proceeding or basis therefor) exists which would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect upon any Obligor.
- 6.12 Environmental Laws and Hazardous Substances. No Obligor has generated, used, stored, treated, transported, manufactured, handled, produced or disposed of any Hazardous Substances, on or off any of the premises of such Person (whether or not owned by it) in any manner which at any time violates any Environmental Law or any license, permit, certificate, approval or similar authorization thereunder. Borrower will, and will cause each Obligor to, comply in all material respects with all Environmental Laws and will obtain all licenses, permits certificates, approvals and similar authorizations thereunder. There has been no investigation, proceeding, complaint, order, directive, claim, citation or notice by any Governmental Authority or any other Person, nor is any pending or, to the best of Borrower's knowledge, threatened, and Borrower shall promptly notify Lender upon becoming aware of any such investigation, proceeding, complaint, order, directive, claim, citation or notice, and shall take prompt and appropriate actions to respond thereto, with respect to any non-compliance with, or violation of, the requirements of any Environmental Law by any Obligor, or the release, spill or discharge, threatened or actual, of any Hazardous Material or the generation, use, storage, treatment, transportation, manufacture, handling, production or disposal of any Hazardous Material or any other environmental, health or safety matter, which affects any such Person or its business, operations or assets or any properties at which such Person has transported, stored or disposed of any Hazardous Substances. No Obligor has any material liability, contingent or otherwise, in connection with a release, spill or discharge, threatened or actual, of any Hazardous Substances or the generation, use, storage, treatment, transportation, manufacture, handling, production or disposal of any Hazardous Material. Borrower further agrees, and agrees to cause each Obligor, to allow Lender or its agent reasonable access to its properties to confirm compliance with all Environmental Laws, and Borrower shall, following determination by Lender that there is noncompliance, or any condition which requires any action by or on behalf of Borrower, any Obligor or their respective Subsidiaries in order to avoid any non-compliance, with any Environmental Law, at Borrower's sole expense, cause an independent environmental engineer acceptable to Lender to conduct such tests of the relevant site as are appropriate, and prepare and deliver a report setting forth the result of such tests, a proposed plan for remediation and an estimate of the costs thereof.
- 6.13 <u>Solvency, etc.</u> As of the date hereof, and immediately prior to and after giving effect to the issuance of the Loan hereunder and the use of the proceeds thereof, (a) the fair value of the assets of each Obligor is greater than the amount of its liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated as required under the Section 548 of Bankruptcy Code, (b) the present fair saleable value of the assets of each Obligor is not less than the amount that will be required to pay the probable liability on its debts as they become absolute and matured, (c) each Obligor is able to realize upon its assets and pay its debts and other liabilities (including disputed, contingent and

unliquidated liabilities) as they mature in the normal course of business, (d) no Obligor intends to, or believes that it will, incur debts or liabilities beyond its ability to pay as such debts and liabilities mature, (e) no Obligor is engaged in business or a transaction, or is about to engage in business or a transaction, for which its property would constitute unreasonably small capital, (f) the transfers and conveyances made to Lender are for fair consideration and are for reasonably equivalent, contemporaneous and new value, and (g) the transfers and conveyances made to Lender pursuant to the Loan Documents: (i) will not enable Lender to receive more than it would receive in a Chapter 7 bankruptcy of each or any of Borrower or Guarantors had the transfers or conveyances not been made; (ii) Lender is not an insider of any of Obligors within the meaning of Bankruptcy Code § 101(31); and (iii) the transfers and conveyances made to Lender in connection with the Loan cannot be avoided under any applicable state or federal fraudulent conveyance statutes, including Bankruptcy Code § 548 or any other similar federal or state law providing for avoidance of transfers to creditors.

- 6.14 ERISA Obligations. All Employee Plans of each Obligor meet the minimum funding standards of Section 302 of ERISA and 412 of the Internal Revenue Code where applicable, and each such Employee Plan that is intended to be qualified within the meaning of Section 401 of the Internal Revenue Code of 1986 is qualified. No withdrawal liability has been incurred under any such Employee Plans and no "Reportable Event" or "Prohibited Transaction" (as such terms are defined in ERISA), has occurred with respect to any such Employee Plans, unless approved by the appropriate Governmental Authorities. Each Obligor has promptly paid and discharged all obligations and liabilities arising under the Employee Retirement Income Security Act of 1974 ("ERISA") of a character which if unpaid or unperformed might result in the imposition of a Lien against any of its properties or assets.
- 6.15 <u>Labor Relations</u>. There are no strikes, lockouts or other labor disputes or, to the knowledge of Borrower, after due inquiry, threatened against any Obligor. The hours worked by and payment made to employees of any Obligor have not been in violation of the Fair Labor Standards Act or any other applicable law. No unfair labor practice complaint is pending against any Obligor or, to the knowledge of Borrower, after due inquiry, threatened before any Governmental Authority.
- 6.16 <u>Enforceable Liens</u>. The liens, security interests and assignments created by the Security Documents will, when granted and recorded or filed, be valid, effective, properly perfected and enforceable liens, security interests and assignments.
- 6.17 <u>Lending Relationship</u>. The relationship hereby created between Borrower and Lender is and has been conducted on an open and arm's length basis in which no fiduciary relationship exists, and Borrower has not relied and is not relying on any such fiduciary relationship in executing this Agreement and in consummating the Loan.
- 6.18 <u>Business Loan</u>. The Loan is for business purposes, and the making of the Loan, together with the interest rate, fees and charges as contemplated hereby, is not subject to the Truth In Lending Act, 12 U.S.C. 1601 et seq., as amended from time to time, and do not, and when disbursed shall not, violate the provisions of any consumer credit laws or the usury laws of any state or jurisdiction which may have jurisdiction over this transaction, Borrower or any property securing the Loan.

- 6.19 Taxes. Each Obligor has timely filed all Tax returns and reports required by law to have been filed by it and has paid all Taxes, governmental charges and assessments due and payable with respect to such Tax returns, except any such Taxes or charges which are being diligently contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on such Obligor's books, are insured against or bonded over to the satisfaction of Lender and the contesting of such payment does not create a Lien on the Collateral which is not a Permitted Lien. There is no controversy or objection pending, or to the knowledge of Borrower, threatened in respect of any Tax returns of any Obligor. Each Obligor has made adequate reserves on its books and records in accordance with GAAP for all Taxes that have accrued but which are not yet due and payable.
- 6.20 <u>Compliance with Regulation U</u>. No portion of the proceeds of the Loan shall be used by Borrower, or any Affiliate of Borrower, either directly or indirectly, for the purpose of purchasing or carrying any margin stock, within the meaning of Regulation U as adopted by the Board of Governors of the Federal Reserve System or any successor thereto.
- 6.21 <u>Governmental Regulation</u>. Borrower is not, or after giving effect to any Loan, will not be, subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act or the Investment Company Act of 1940 or to any foreign, federal or state statute or regulation limiting its ability to incur indebtedness for borrowed money.
- 6.22 <u>Bank Accounts</u>. The only deposit accounts and operating bank accounts of Borrower and the Guarantor Subsidiaries are those that are subject to the Control Agreements listed in <u>Section 3.1</u> hereof. Neither Borrower nor any Guarantor Subsidiary has any deposit account or operating bank account that is not subject to a Control Agreement in favor of Lender.

## 6.23 [Reserved.]

- 6.24 <u>Complete Information</u>. This Agreement and all financial statements, schedules, certificates, confirmations, agreements, contracts, and other materials and information heretofore or contemporaneously herewith furnished in writing by Borrower to Lender for purposes of, or in connection with, this Agreement and the transactions contemplated hereby is, and all written information hereafter furnished by or on behalf of any Obligor to Lender pursuant hereto or in connection herewith will be, true and accurate in every material respect on the date as of which such information is dated or certified, and none of such information is or will be incomplete by omitting to state any material fact necessary to make such information not misleading in light of the circumstances under which made (it being recognized by Lender that any projections and forecasts provided by Borrower are based on good faith estimates and assumptions believed by Borrower to be reasonable as of the date of the applicable projections or assumptions and that actual results during the period or periods covered by any such projections and forecasts may differ from projected or forecasted results).
- 6.25 Anti-Terrorism. No Obligor or its representative constituents or Affiliates is a "specially designated national" or "blocked person" (as those terms are defined by the US Office of Foreign Assets Control), or is in violation of any laws relating to terrorism or money laundering, including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 and relating to Blocking Property and Prohibiting Transactions With Persons Who

Commit, Threaten To Commit, or Support Terrorism and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56, the "Patriot Act").

- 6.26 OFAC Covenant. None of the Obligors or any of their Affiliates (i) is a Sanctioned Person, (ii) has more than 15% of its assets in Sanctioned Countries, or (iii) derives more than 15% of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries. The proceeds of any Loan will not be used and have not been used to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Person or a Sanctioned Country.
- 6.27 <u>Enforceable Guaranty</u>. Each Guaranty constitutes a legal, valid and binding obligation of each Guarantor named therein according to the terms thereof.
- 6.28 <u>Licenses</u>. Each Obligor has obtained and there remain in full force and effect all licenses, permits, consents, approvals and authorizations necessary or appropriate for the management and operation of its properties, unless the failure to do so would not have a Material Adverse Effect.
- 6.29 FCPA. Neither Borrower nor any other Obligor has taken any action, directly or indirectly, that would result in a violation of the FCPA or any other applicable anti-corruption law.
- 6.30 <u>Full Disclosure</u>. None of the representations or warranties made by Borrower or any other Obligor in this Agreement or any of the other Loan Documents as of the date such representations and warranties are made or deemed made, and none of the statements contained in each exhibit, report, statement or certificate furnished by or on behalf of Borrower or any other Obligor in connection with this Agreement or any of the other Loan Documents, contains any untrue statement of a material fact or omits any material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading as of the time when made or delivered.

# AFFIRMATIVE COVENANTS.

Borrower agrees that from and after the date of this Agreement and until all Obligations are paid in full:

7.1 Compliance with Lender Regulatory Requirements; Increased Costs. If Lender shall reasonably determine that any Change in Law, or compliance by Lender or any Person controlling Lender with any request or directive (whether or not having the force of law) of any Governmental Authority, central bank or comparable agency has or would have the effect of reducing the rate of return on Lender's or such controlling Person's capital as a consequence of Lender's obligations hereunder to a level below that which Lender or such controlling Person would have achieved but for such Change in Law or compliance (taking into consideration Lender's or such controlling Person's policies with respect to capital adequacy) by an amount deemed by Lender or such controlling Person to be material or would otherwise reduce the amount of any sum received or receivable by Lender under this Agreement or under any Note with respect thereto, then from time to time, upon demand by Lender (which demand shall be

accompanied by a statement setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail), Borrower shall pay directly to Lender or such controlling Person such additional amount as will compensate Lender for such increased cost or such reduction, so long as such amounts have accrued on or after the day which is one hundred eighty (180) days prior to the date on which Lender first made demand therefor.

- 7.2 Existence. Borrower shall, and shall cause each other Obligor to, at all times (a) preserve and maintain its existence and good standing in the jurisdiction of its organization, (b) preserve and maintain its qualification to do business and good standing in each jurisdiction where the nature of its business makes such qualification necessary, and (c) continue as a going concern in the business which Obligor is presently conducting. If Borrower does not have an Organizational Identification Number and later obtains one, Borrower shall promptly notify Lender of such Organizational Identification Number.
- 7.3 <u>Compliance With Laws.</u> Borrower shall use the proceeds of the Loan for the purposes explicitly permitted herein and not in contravention of any requirements of law and not in violation of this Agreement, and shall comply in all respects, including the conduct of its business and operations and the use of its properties and assets, with all applicable laws, rules, regulations, decrees, orders, judgments, licenses and permits. In addition, and without limiting the foregoing sentence, Borrower shall continuously be in compliance with <u>Sections 6.25</u> and 6.26 above.
- 7.4 Payment of Taxes and Liabilities. Borrower shall pay, and cause each other Obligor to pay, and discharge, prior to delinquency and before penalties accrue thereon, all property and other Taxes, and all governmental charges or levies against it or any of the Collateral, as well as claims of any kind which, if unpaid, could become a Lien on any of its property; provided that the foregoing shall not require any Obligor to pay any such Tax or charge so long as it shall contest the validity thereof in good faith by appropriate proceedings and shall set aside on its books adequate reserves with respect thereto in accordance with GAAP and, in the case of a claim which could become a Lien on any of the Collateral, such contest proceedings stay the foreclosure of such Lien or the sale of any portion of the Collateral to satisfy such claim.
- Obligor to maintain, with insurance companies reasonably acceptable to Lender, such insurance coverage as may be required by any law or governmental regulation or court decree or order applicable to it and such other insurance, to such extent and against such hazards and liabilities, including employers', public and professional liability risks, as is customarily maintained by companies similarly situated, and shall have insured amounts no less than, and deductibles no higher than, are reasonably acceptable to Lender. Borrower shall, and shall cause each other Obligor, to furnish to Lender a certificate setting forth in reasonable detail the nature and extent of all insurance maintained by each such Person, which shall be reasonably acceptable in all respects to Lender. Borrower shall, and cause each other Obligor, to, cause each issuer of an insurance policy to provide Lender with an endorsement (i) showing Lender as Lender's loss payee with respect to each policy of property or casualty insurance and naming Lender as an additional insured with respect to each policy of liability insurance; and (ii) providing that thirty (30) days notice will be given to Lender prior to any cancellation of, material reduction or change in coverage provided by or other material modification to such policy. Borrower shall

execute and deliver to Lender a collateral assignment, in form and substance satisfactory to Lender, of each business interruption insurance policy maintained by Borrower.

In the event Borrower either fails to provide Lender with evidence of the insurance coverage required by this Section 7.5 or at any time hereafter shall fail to obtain or maintain or cause to be maintained any of the policies of insurance required above, or to pay or cause to be paid any premium in whole or in part relating thereto, then Lender, without waiving or releasing any obligation or default by Borrower hereunder, may at any time (but shall be under no obligation to so act), obtain and maintain such policies of insurance and pay such premiums and take any other action with respect thereto, which Lender deems advisable. This insurance coverage (a) may, but need not, protect such Person's interests in such property, including the Collateral, and (b) may not pay any claim made by, or against, such Person in connection with such property, including the Collateral. Borrower may later cancel, or cause to be cancelled, any such insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained, and caused to be obtained, the insurance coverage required by this Section 7.5. If Lender purchases insurance for the Collateral, Borrower will be responsible for the costs of that insurance, including interest and any other charges that may be imposed with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the principal amount of the Loan owing hereunder. The costs of the insurance may be more than the cost of the insurance any Person may be able to obtain on its own.

- ERISA Liabilities; Employee Plans. Borrower shall, and shall cause each other Obligor to, (i) keep in full force and effect any and all Employee Plans which are presently in existence or may, from time to time, come into existence under ERISA, and not withdraw from any such Employee Plans, unless such withdrawal can be effected or such Employee Plans can be terminated without liability to such Person; (ii) make contributions to all of such Employee Plans in a timely manner and in a sufficient amount to comply with the standards of ERISA; including the minimum funding standards of ERISA; (iii) comply with all material requirements of ERISA which relate to such Employee Plans; (iv) notify Lender promptly upon receipt by Borrower or any Obligor of any notice concerning the imposition of any withdrawal liability or of the institution of any proceeding or other action which may result in the termination of any such Employee Plans or the appointment of a trustee to administer such Employee Plans; (v) promptly advise Lender of the occurrence of any "Reportable Event" or "Prohibited Transaction" (as such terms are defined in ERISA), with respect to any such Employee Plans; and (vi) amend any Employee Plan that is intended to be qualified within the meaning of Section 401 of the Internal Revenue Code of 1986 to the extent necessary to keep the Employee Plan qualified, and to cause the Employee Plan to be administered and operated in a manner that does not cause the Employee Plan to lose its qualified status.
- 7.7 <u>Books and Records</u>. Borrower will, and will cause each Obligor to, keep books and records in accordance with GAAP which accurately reflect all of its business affairs and transactions and permit Lender or any of its representatives, at reasonable times and intervals upon reasonable notice to Borrower, to visit each Obligor's offices, to discuss such Obligor's financial matters with its officers and employees, and its independent public accountants (and Borrower hereby authorizes such independent public accountant to discuss each Obligor's financial matters with Lender or its representatives upon reasonable notice to Borrower and

whether or not any representative of such Obligor is present, at the discretion of such Obligor; provided, however, Lender will be entitled to meet with such independent public accountants without Borrower or any of its representatives present if an Event of Default has occurred and is continuing) and to examine (and photocopy extracts from) any of its books and records. Borrower shall pay any fees of such independent public accountant incurred in connection with Lender's exercise of its rights pursuant to this Section 7.7.

- 7.8 <u>Financial Statements and Budgets</u>. Borrower shall furnish or cause to be furnished, to Lender or its authorized representatives the following information regarding the business affairs, operations and financial condition of Borrower and each Obligor:
- (a) Within one hundred fifty (150) days after the close of each fiscal year, a copy of the audited consolidated balance sheets of Borrower and each other Obligor as of the end of such year and the related consolidated statements of income or operations, shareholders' equity and cash flows, for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, and accompanied by the report of a nationally-recognized independent public accounting firm reasonably acceptable to Lender, which report shall (i) contain an unqualified opinion, stating that such consolidated financial statements present fairly in all material respects the financial position for the periods indicated in conformity with GAAP applied on a basis consistent with prior years, and (ii) not include any explanatory paragraph expressing substantial doubt as to going concern status; and
- (b) Within twenty-one (21) days after the end of each calendar month, a copy of the unaudited consolidated balance sheets of Borrower and each other Obligor as of the end of such month, and the related consolidated statements of income, shareholders' equity and cash flows, for such fiscal month and for the portion of the fiscal year then ended, together with a budget to actual reconciliation for the applicable period, with written explanations for any variances of more than 5% from the budgeted amount, with all of the foregoing certified by an appropriate officer of Borrower as being complete and correct and fairly presenting, in all material respects, in accordance with GAAP, the financial position and the results of operations of Borrower and each other Obligor, subject to normal year-end adjustments and absence of footnote disclosures.
- (c) Annually, within thirty (30) days of filing, a complete copy, including all Schedules, of each foreign and each federal income Tax return filed by or for Borrower and each other Obligor in any jurisdiction where such filing is required.
- (d) Within ninety (90) days after the close of each calendar year, personal financial statements (i) of Ferrer (which statements shall include a description of all separate and community assets of Carl A. Ferrer and April Ferrer for all periods that they are married) and (ii) from and after the time of their creation, of the Ferrer Trusts, with all such statements in form and level of detail satisfactory to Lender.
- (e) Annually, not less than thirty (30) days prior to the commencement of each new fiscal year, an annual budget for such upcoming fiscal year, including therewith quarterly and annual projections with respect to income statement and balance sheet matters and EBITDA.

- (f) Annually, not less than thirty (30) days prior to the commencement of each new fiscal year, an annual business plan for such upcoming fiscal year, including timing of planned events and expected financial costs and outcomes.
- (g) Quarterly, not less than thirty (30) days following the end of each such fiscal quarter, statements of Excess Cash Flow for the applicable quarter.
- (h) Annually, not less than one hundred fifty (150) days following the end of the applicable fiscal year, an annualized statement of Excess Cash Flow for the applicable year.
- (i) When requested by Lender, such further information as Lender may reasonably request in writing relating to any such financial statements.

No change with respect to such accounting principles shall be made by any Obligor without giving prior notification to Lender. Borrower represents and warrants to Lender that the financial statements delivered to Lender at or prior to the execution and delivery of this Agreement and to be delivered at all times thereafter accurately reflect and will accurately reflect the financial condition of each Person for which such financial statements were delivered. Upon reasonable notice to Borrower (with Buyer hereby agreeing that 24 hours advance notice shall in all cases be reasonable, and further provided that no notice shall be required during the continuance of an Event of Default), Lender shall have the right during business hours to inspect the books and records of each Obligor and make extracts therefrom. Borrower agrees to advise Lender promptly of any development, condition or event that would reasonably be expected to have a Material Adverse Effect on any Obligor.

- 7.9 <u>Supplemental Financial Statements</u>. Borrower shall promptly upon receipt thereof, provide to Lender copies of interim and supplemental reports if any, submitted to any Obligor by independent accountants in connection with any interim audit or review of the books and records of any such Person.
- 7.10 Covenant Compliance Certificate. Borrower shall, contemporaneously with the furnishing of the quarterly and year-end financial statements pursuant to Section 7.8, deliver to Lender a duly completed compliance certificate, dated the date of such financial statements and certified as true and correct by an appropriate officer of Borrower, containing a computation of each of the financial covenants set forth in Section 9 and stating that Borrower has not become aware of any Event of Default or Unmatured Event of Default that has occurred and is continuing or, if there is any such Event of Default or Unmatured Event of Default, describing it and the steps, if any, being taken to cure it.
- 7.11 Notice of Proceedings. Borrower, promptly upon becoming aware, shall give written notice to Lender of (a) any litigation, arbitration, governmental investigation or subpoena to produce documents or witnesses or proceeding not previously disclosed by Borrower to Lender which has been instituted or, to the knowledge of Borrower, is threatened against any Obligor or to which any of their respective properties is subject, and (b) any ruling, filing, additional discovery, or change in facts, law or circumstances with respect to any previously disclosed litigation, arbitration, governmental investigation or subpoena to produce documents or witnesses or proceeding that could be reasonably expected to have a Material Adverse Effect.

- 7.12 Notice of Event of Default or Material Adverse Effect. Borrower shall, promptly after the commencement thereof, give notice to Lender in writing of the occurrence of any Event of Default or any Unmatured Event of Default, or the occurrence of any condition or event having a Material Adverse Effect on any Obligor.
- 7.13 Environmental Matters. If any release or threatened release or other disposal of Hazardous Substances shall occur or shall have occurred on the properties or any other assets of any Obligor, Borrower shall, or shall cause the applicable other Person to, cause the prompt containment and removal of such Hazardous Substances and the remediation of the affected property or other assets as necessary to comply with all Environmental Laws and to preserve the value of such property or other assets. Without limiting the generality of the foregoing, Borrower shall, and shall cause each such other Obligor to, comply with any foreign, federal or state judicial or administrative order requiring the performance at the properties of Borrower or such other Person of activities in response to the release or threatened release of a Hazardous Substance. To the extent that the transportation of Hazardous Substances is permitted by this Agreement, Borrower shall, and shall cause each such other Obligor to, dispose of such Hazardous Substances, or of any other wastes, only at licensed disposal facilities operating in compliance with Environmental Laws.
- 7.14 <u>Maintenance of Property and Assets</u>. Borrower shall maintain, and cause each other Obligor to maintain and preserve all of its property and assets (including without limitation all Collateral), which is used or useful in its business in good working order and condition, ordinary wear and tear excepted, and shall make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
- 7.15 <u>Maintenance of Licenses, Permits and Registrations</u>. Borrower shall maintain, and cause each other Obligor to maintain, in full force and effect all rights and licenses necessary or beneficial in connection with carrying on its business, and all permits, licenses, consents, registrations and approvals necessary or beneficial in connection with the Collateral.
- 7.16 <u>Compliance with Loan Documents</u>. Borrower shall make all payments of interest and principal on the Loan and shall keep and comply with, and cause each Obligor to keep and comply with, all terms, conditions and provisions of the Loan Documents to which each such Person is a party.
- 7.17 <u>Lender Costs</u>. Borrower agrees that it shall pay all out-of-pocket and documented fees, costs and expenses incurred by Lender in connection with this transaction, including without limitation all reasonable costs of inspections, appraisals and attorneys' fees.
- 7.18 <u>Maintenance of Organizational Structure and Management</u>. Borrower shall maintain, and cause each other Obligor to maintain, (a) its present existence at all times in good standing, and (b) Ferrer, Dan Hyer and Joe Kiapig as executive officers with day-to-day responsibility for the operations of Borrower and its Subsidiaries.
- 7.19 FCPA. No part of the proceeds of the Loan will be used, directly or indirectly, in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of

money, or anything else of value, to any person in violation of the FCPA or any other applicable anti-corruption law. Borrower will maintain in effect policies and procedures designed to promote compliance by Borrower, its Subsidiaries, and their respective directors, officers, employees, and agents with the FCPA and any other applicable anti-corruption laws.

- 7.20 Joinder. If Borrower, directly or indirectly, creates or acquires any Subsidiary after the Effective Date (and provided that the foregoing clause shall not be deemed to constitute the consent or agreement of Lender to any such creation or acquisition), then Borrower shall promptly, and in any event within thirty (30) days after such creation or acquisition, cause such new Subsidiary to execute and deliver to Lender, in form and content acceptable to Lender, (a) a new Guaranty or a joinder to the Subsidiary Guaranty, and (b) a new Security Agreement or a joinder to the Subsidiary Security Agreement. Further, within the same thirty (30) day period referenced in the preceding sentence, Borrower also shall provide to Lender organizational and authority documents for such new Subsidiary, which documents shall be substantially similar to those required of Subsidiary Guarantors in Section 3.2 hereof, and which documents shall be in form and content acceptable to Lender. Notwithstanding the foregoing, the above requirements of this Section 7.20 shall not apply to any future Subsidiaries of CF Holdings GP LLC, and CF Acquisitions LLC.
- 7.21 <u>Further Assurances</u>. Borrower shall take, and cause each other Obligor to take, such actions as are necessary or as Lender may reasonably request from time to time to ensure that the Obligations under the Loan Documents are secured by the Collateral.
- 7.22 <u>Endeavor to Refinance</u>. Borrower shall use its diligent, best efforts to obtain new financing to pay off the Loan in full within 180 days following the Effective Date, and if the Loan has not been refinanced by such date, Borrower will continue thereafter with the use of diligent, best efforts to cause the Loan to be refinanced in full after such date.
- 7.23 <u>Payment of UGC Loan</u>. If the Loan is paid in full prior to payment in full of the UGC Loan, then at all times after payment of the Loan until such time as the UGC Loan also is paid in full, Borrower agrees as follows:
- (a) If the obligors on the UGC Loan, at any time or from time to time do not have sufficient capital to pay any required payments on the UGC Loan when due, then Borrower shall, and Borrower shall cause each other Obligor to, make distributions or payments of all Excess Cash Flow to one or more of the obligors on the UGC Loan, as are necessary to enable all required payments to be made in full and in a timely manner on the UGC Loan; provided, however, that such distributions or payments shall only be required to the extent that the paying Obligor is not rendered insolvent after giving effect to the applicable distribution or payment, and the applicable distribution or payment does not result in a breach of a representation, warranty, covenant or other agreement set forth in this Agreement or any other Loan Documents ("UGC Loan Distributions"); and
- (b) Borrower shall not, and shall not permit any other Obligor to, (i) make any distribution or dividend (other than stock dividends), whether in cash or otherwise, to any of its equity holders, (ii) purchase or redeem any of its equity interests or any warrants, options or other rights in respect thereof, (iii) pay any management fees or similar fees to any of its equity

holders or any Affiliate thereof, (iv) set aside funds for any of the foregoing, or (v) enter into any other transaction for the purpose of circumventing any of the prohibitions set forth in the preceding items (i) through (v).

Notwithstanding any provision in this Agreement or any other document to the contrary, the obligations of Borrower set forth above in this <u>Section 7.23</u> shall survive payment and performance of the Obligations and the release of the Collateral until the UGC Loan is paid in full.

- 7.24 Other Notices. Borrower shall promptly notify Lender of any of the following that relate to Borrower, any other Obligor, any Collateral, or any other assets of any Obligor: (a) any notice or other documentation with respect to any unpaid Taxes or other assessments or charges from any Governmental Authority in excess of \$250,000; (b) any notice or other documentation with respect to any pending or threatened litigation, arbitration or other proceeding with a maximum possible exposure in excess of \$250,000; (c) any notice or documentation regarding a contractual dispute or proposed cancellation, termination or modification of a contract that would reasonably be expected to have a Material Adverse Effect, (d) any subpoena request; (e) any request for information or documentation from any news or investigative agency or from any individual; and (f) any notice or documentation regarding any proceeding before any Governmental Authority if the outcome of such proceeding would reasonably be expected to have a Material Adverse Effect. Borrower shall, within three Business Days following the earlier of its receipt of, or its obtaining knowledge of, any of the foregoing items, notify Lender in writing of the same.
- 7.25 <u>SPE Covenants</u>. Borrower shall cause each Obligor that is an entity domiciled in the United States and each Ferrer Party that is an entity domiciled in the United States to have the SPE Covenants incorporated directly into its organizational documents.
- 7.26 <u>Management and Control of Ferrer Trusts.</u> From and after the creation of the Ferrer Trusts, Borrower shall cause, at all times, (i) Ferrer to be the sole trustee of each of the Ferrer Trusts, and (ii) all management and control of the Ferrer Trusts to vest solely in Ferrer.
- 7.27 <u>Amstel Shareholders/Members</u>. Borrower shall cause Amstel at all times to have only shareholders/members that qualify at all times as eligible shareholders as defined in Section 1361(b)(1) of the Internal Revenue Code, as amended,
- 7.28 Shared Information for Litigation and Other Adversarial Matters. The parties acknowledge that any present or future litigation or other adversarial proceedings arising out of the business and operations of Obligors could have a material impact Lender and its Affiliates, due to the involvement of Lender and its Affiliates with such business and operations prior to the Closing of the transactions contemplated in the Transaction Documents. The parties further acknowledge that the interests of Obligors, on the one hand, and Lender and its Affiliates, on the other hand, with respect to any such litigation or other adversarial matters likely would be aligned, and that all such parties likely would be jointly interested in all aspects of such matters. Consequently, while any Obligations are outstanding, Borrower agrees that it shall direct, and shall cause each other Obligor to direct, any attorneys or other professionals retained by or otherwise representing any of them in such litigation or other adversarial matters to provide to

Lender and its Affiliates full and complete disclosure of all information, documents, pleadings, discovery, proceedings, discussions and strategy with respect to such litigation or other adversarial matters (collectively, the "Shared Information"). The parties understand the foregoing agreement could give rise to a waiver by the Obligors of the attorney-client and work product privileges. The parties agree to cooperate in exploring alternatives to facilitate the requirements of this paragraph in such a manner so as to preserve, to the maximum extent reasonably possible, the attorney-client and work product privileges with respect to third parties; provided, however, that any alternative that would limit in any respect the amount of Shared Information provided to Lender and its Affiliates shall be subject to Lender's approval in its sole discretion.

## 8. NEGATIVE COVENANTS.

Borrower agrees that from and after the date of this Agreement and until all Obligations are paid in full:

- 8.1 <u>Debt</u>. Borrower shall not, and shall not permit any other Obligor to, either directly or indirectly, create, assume, incur or have outstanding any Debt (including purchase money indebtedness), or become liable, whether as endorser, guarantor, surety or otherwise, for any debt or obligation of any other Person, except:
- (a) the Obligations under this Agreement and the other Transaction Documents;
- (b) obligations of any Obligor for Taxes, assessments, municipal or other governmental charges that are current with no past due portion;
- (c) obligations of any Obligor for accounts payable incurred in the Ordinary Course that are current with no past due portion; and
- (d) obligations of any Obligor incurred in the Ordinary Course that do not exceed at any time a maximum amount of \$2,000,000.00 in the aggregate that are current with no past due portion.
- 8.2 Encumbrances. Borrower shall not, and shall not permit any other Obligor to, either directly or indirectly, create, assume, incur or suffer or permit to exist any Lien or charge of any kind or character upon any property, whether owned at the date hereof or hereafter acquired, except for Permitted Liens. Borrower shall not sell, transfer, convey or create a Lien (except in favor of Lender) upon the Collateral.
- 8.3 <u>Investments.</u> Borrower shall not, and shall not permit any other Obligor to, either directly or indirectly, make or have outstanding any Investment, other than Investments existing as of the Effective Date or made after the Effective Date that in the aggregate do not exceed \$250,000.00.
- 8.4 <u>Transfer; Merger; Sales</u>. Borrower shall not, and not permit any other Obligor to, whether in one transaction or a series of related transactions, (a) be a party to any merger or consolidation, or purchase or otherwise acquire any of the assets or any Capital Securities of any

class of, or any partnership or joint venture interest in, any other Person, or (b) sell, transfer, convey or lease any of its assets or Capital Securities (including the sale of Capital Securities of any Subsidiary), or (c) sell or assign, with or without recourse, any receivables.

- 8.5 <u>Issuance of Capital Securities</u>. Borrower shall not, and shall not permit any other Obligor to, issue any Capital Securities.
- Distributions. Subject to the following sentence, Borrower shall not, and shall not permit any other Obligor to, (a) make any distribution or dividend (other than stock dividends), whether in cash or otherwise, to any of its equity holders, (b) purchase or redeem any of its equity interests or any warrants, options or other rights in respect thereof, (c) pay any management fees or similar fees to any of its equity holders or any Affiliate thereof, or (d) set aside funds for any of the foregoing. Notwithstanding the preceding sentence, as long as there is no Event of Default (other than an Event of Default arising solely as a result of the breach of any covenant set forth in Article 9 hereof), Borrower and the other Obligors shall be entitled to make distributions in the following two situations: (i) to any Obligor, the holders of any Capital Securities of any Obligor or the beneficiaries of the Ferrer Primary Trust, to the extent, and only to the extent, that any of the foregoing parties have obligations or liabilities for Taxes (including reasonably estimated payments for Taxes) directly or indirectly related to the Acquired Business, in which event the amount of the distribution shall be an amount sufficient to cover such obligations or liabilities for Taxes (including reasonably estimated payments for Taxes); provided that before making any such distribution, the amount of the requested distribution and the underlying calculations therefor from Borrower's independent accounting firm shall be provided to Lender in writing and Lender shall have approved the calculations for such requested distribution, such approval not to be unreasonably withheld, delayed or conditioned (and such approval shall be deemed as given by Lender if Lender does not object to the distribution in writing within ten (10) Business Days following receipt); and (ii) UGC Loan Distributions.
- 8.7 <u>Transactions with Affiliates.</u> Borrower shall not, and shall not permit any other Obligor to, directly or indirectly, enter into or permit to exist any transaction with any of its Affiliates or with any director, officer or employee of any Obligor, other than transactions in the Ordinary Course of, and pursuant to the reasonable requirements of, the business of such Person and upon fair and reasonable terms which are fully disclosed to Lender and are no less favorable to such Person, as the case may be, than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate or director, officer or employee of such Person.
- 8.8 <u>Cancellation of Debt.</u> Borrower shall not, and not permit any other Obligor to, cancel any claim or debt owing to it, except for reasonable consideration or in the Ordinary Course.
- 8.9 <u>Inconsistent Agreements</u>. Borrower shall not, and shall not permit any other Obligor to, enter into any agreement containing any provision which would (a) be violated or breached by any borrowing by such Person hereunder or by the performance by such Person of any of its Obligations hereunder or under any Loan Document to which such Person is a Party, (b) prohibit such Person from granting to Lender a Lien on any property encumbered by the Security Documents, or (c) create or permit to exist or become effective any encumbrance or restriction on the ability of any Guarantor Subsidiary to (i) pay dividends or make other

distributions to Borrower or any other Guarantor Subsidiary, or pay any Debt owed to Borrower or any other Guarantor Subsidiary, (ii) make loans or advances to Borrower or any other Guarantor Subsidiary, or (iii) transfer any of its assets or properties to Borrower or any other Guarantor Subsidiary.

- 8.10 <u>Use of Proceeds</u>. Borrower shall not, and shall not permit any other Obligor to, use any portion of the proceeds of the Loan, either directly or indirectly, for any purpose not explicitly permitted by this Agreement.
- 8.11 <u>Bank Accounts</u>. Neither Borrower nor any other Obligor shall establish any new Deposit Accounts or other bank accounts with any bank or financial institution, unless (i) Lender consents to the new relationship with such bank or financial institution, and (ii) such bank or financial institution agrees to enter into a new Control Agreement with Lender on terms acceptable to Lender.
- 8.12 <u>Due on Sale</u>. Except as provided herein, Borrower shall not, and shall not permit any other Obligor to, assign, transfer or convey any of its right, title and interest in any Collateral or any other property, whether real or personal, encumbered by the Security Documents, except in the Ordinary Course.
- 8.13 <u>Business Activities; Change of Legal Status and Organizational Documents.</u>
  Borrower shall not, and shall not permit any other Obligor to, (a) engage in any line of business other than the businesses engaged in on the date hereof and businesses reasonably related thereto, (b) change its name, its Organizational Identification Number, if it has one, its type of organization, its tax jurisdiction, its jurisdiction of organization or other legal structure, or (c) permit its charter, bylaws or other organizational documents to be amended or modified in any way.
- 8.14 No Modification of Contracts and Agreements. Borrower shall not, and shall not permit Website Technologies LLC, Ferrer or any other Obligor to, modify, amend, terminate or rescind the Employment Agreement without the prior written consent of Lender, which consent Lender may withhold in its sole and absolute discretion. Except as set forth in the preceding sentence, Borrower shall not, and shall not permit any other Obligor to, modify, amend, terminate or rescind any contract or agreement outside the Ordinary Course, without the prior written consent of Lender, which consent Lender may withhold in its sole and absolute discretion.
- 8.15 <u>Sale-Leasebacks</u>. Borrower shall not, and shall not permit any other Obligor to, engage in a sale leaseback, synthetic lease or similar transaction involving any of its assets.
- 8.16 <u>No Negative Pledges</u>. Borrower shall not, and shall not permit any other Obligor to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual restriction or encumbrance of any kind on the ability of Borrower or any other Obligor to pay dividends or make any other distribution on any of its Capital Securities or make other payments and distributions to Borrower or any other Obligor. Borrower shall not, and shall not permit any other Obligor to, directly or indirectly, enter into, assume or become subject to

any contractual obligation prohibiting or otherwise restricting the existence of any Lien upon any of the Collateral in favor of Lender.

- 8.17 <u>Salaries and Bonuses</u>. Borrower shall not, and shall not permit any other Obligor to: (a) pay salaries or compensation, including bonuses to officers, managers or directors of the Borrower or any of its Subsidiaries (including without limitation, Ferrer, Dan Hyer and Joe Kiapig) other than as commensurate with compensation policies immediately prior to the date of this Agreement; or (b) increase the salary of, or to pay any bonus (in any form, including, but not limited to, performance bonuses, retention bonuses or severance payments) to, any personnel (including without limitation, Ferrer, Dan Hyer and Joe Kiapig), unless such salary increase or bonus is expressly set forth in a budget that has been approved in writing by Lender or as otherwise approved in writing by Lender, in its sole and absolute discretion. Further, any bonus that is subject to subjective criteria, even if set forth in a budget approved by Lender, shall require further approval by Lender of the specific amount that is proposed to be paid.
- 8.18 No Change in Professional Advisors. Borrower shall not, and shall not permit any other Obligor to, change its legal or accounting firms, or to retain new legal or accounting firms, without advance notice to, and consent from Lender.
- 8.19 <u>Amstel Member Documents</u>. With respect to the Amstel Member Documents: (i) Borrower shall not permit, and Borrower shall cause each party to said documents to not permit, any breach or violation of such documents, and (ii) Borrower shall not permit, and Borrower shall cause each party to said documents to not permit, any modification or amendment of such documents. If Ferrer ever ceases to be the sole manager of Amstel, then Borrower shall obtain, and Borrower shall cause Amstel and its members to obtain, the consent of Lender to any successor manager, which consent Lender may grant or deny in its sole and absolute discretion.
- 8.20 <u>No Further Units or Equity Interests</u>. From and after the Closing, Borrower shall not permit, and Borrower shall cause Amstel and each other Obligor not to permit, the issuance of any stock, membership interests, Units (as defined in the Amstel Member Documents) or any other evidence of ownership, in any such entity.
- 8.21 <u>Amstel Manager</u>. If Ferrer ever ceases to be the manager of Amstel, then Borrower shall not permit, and Borrower shall cause Amstel and all parties to the Amstel Member Documents to not permit, the appointment of a successor manager of Amstel, which successor manager is not acceptable to Lender, in its sole and absolute discretion.
- 8.22 <u>No Interest of April Ferrer</u>. Borrower shall not permit, and shall not allow Ferrer or any other Obligor to permit, directly or indirectly, (i) the transfer (or deemed transfer) to April Ferrer of any ownership, control or management rights with respect to the Acquired Business, the Collateral or of any of the Ferrer Parties, or (ii) ownership (or deemed ownership) of, control of or the right to manage any of the Acquired Business, the Collateral or of any of the Ferrer Parties to vest in April Ferrer.
- 8.23 No Modification of Non-Compete Terms. Borrower shall not modify, amend, waive or fail to (or elect not to) enforce any of the non-competition terms in the Employment and

Non--Compete Agreements of Ferrer, Dan Hyer and/or Joe Kiapig without the prior written consent of Lender, which consent may be given or denied by Lender in its sole discretion.

8.24 No Shop. Without the prior written consent of Lender, which consent may be given or denied by Lender in its sole discretion, Borrower shall not, and shall not permit any other Obligor to, directly or indirectly, solicit, encourage, discuss, negotiate or respond to (other than to disclose the effect of this provision) any inquiries or proposals from, provide any information to, or enter into any agreement with, any person or entity regarding (i) the sale or transfer of the Acquired Business or any portion thereof, in any form or structure whatsoever, including without limitation, any merger or consolidation, any transaction involving the issuance or sale of Capital Securities, or any transaction involving the sale or transfer of all or substantially all of the assets and/or Collateral.

## 9. FINANCIAL COVENANTS.

9.1 <u>Interest Coverage Ratio.</u> At all times, but measured quarterly at the end of each fiscal quarter on a rolling four (4) quarter basis, Borrower, together with the Subsidiary Guarantors, on a consolidated basis, shall maintain a ratio of EBITDA to Interest Charges of not less than the following:

Period (Rolling 4-Quarter Period Ending on Stated Date)	Interest Coverage Ratio
Period Ending September 30, 2015	3.00:1.00
Period Ending December 31, 2015	3.30:1.00
Period Ending March 31, 2016	3.30:1.00
Period Ending June 30, 2016	3.40:1.00
Period Ending September 30, 2016	3.60:1.00
Period Ending December 31, 2016	4.00:1.00
Period Ending March 31, 2017	4.00:1.00
Period Ending June 30, 2017	4.15 : 1.00
Period Ending September 30, 2017	4.65:1.00
Period Ending December 31, 2017	5.25 : 1.00
Period Ending March 31, 2018	5.25:1.00
Period Ending June 30, 2018	5.75 : 1.00
Period Ending September 30, 2018	6.50 : 1.00
Period Ending December 31, 2018	7.50 : 1.00
Period Ending March 31, 2019	7.50 : 1.00
Period Ending June 30, 2019	8.75 : 1.00
Period Ending September 30, 2019	10.25 : 1.00

Period Ending December 31, 2019	12.75 : 1.00
Period Ending March 31, 2020	12.75 : 1.00
Period Ending June 30, 2020	17.25 : 1.00
Period Ending September 30, 2020	23.25 ; 1.00
Period Ending December 31, 2020	.30.00:1.00
Period Ending March 31, 2021	30.00 : 1.00
Period Ending June 30, 2021	30.00 : 1,00

9.2 <u>Fixed Charge Coverage Ratio.</u> At all times, but measured quarterly at the end of each fiscal quarter on a rolling four (4) quarter basis, Borrower, together with the Subsidiary Guarantors, on a consolidated basis, shall maintain a Fixed Charge Coverage Ratio of not less than the following:

Period (Rolling 4-Quarter Period Ending on Stated Date)	Fixed Charge Coverage Ratio
Period Ending September 30, 2015	1.000 : 1.00
Period Ending December 31, 2015	1.000 : 1.00
Period Ending March 31, 2016	1,000 : 1.00
Period Ending June 30, 2016	1.000 : 1.00
Period Ending September 30, 2016	1,000 : 1.00
Period Ending December 31, 2016	1.015 : 1.00
Period Ending March 31, 2017	1,015 : 1.00
Period Ending June 30, 2017	1.015 : 1.00
Period Ending September 30, 2017	1.015 ; 1.00
Period Ending December 31, 2017	1.015 ; 1.00
Period Ending March 31, 2018	1,015 : 1.00
Period Ending June 30, 2018	1.015 : 1.00
Period Ending September 30, 2018	1,015 : 1.00
Period Ending December 31, 2018	1.015 : 1.00
Period Ending March 31, 2019	1.015 : 1.00

1.015 : 1.00
1.015:1.00
1.025 : 1.00
1.025 : 1.00
1.050 : 1.00
1.050 ; 1.00
1.075 : 1.00
1.075 : 1.00

9.3 <u>Leverage Ratio</u>. At all times, but measured quarterly at the end of each fiscal quarter on a rolling four (4) quarter basis, Borrower, together with the Subsidiary Guarantors, on a consolidated basis, shall maintain a ratio of Debt to EBITDA of not greater than the following:

<u> </u>				
Leverage Ratio				
4.50 : 1.00				
4.15 : 1.00				
4.15 : 1.00				
3.90:1.00				
3.60 : 1.00				
3.25 : 1.00				
3.25 : 1.00				
3.00:1.00				
2.75 : 1.00				
2.35 : 1.00				
2.35:1.00				
2.15:1.00				
1.95 : 1.00				
1.55 : 1.00				
1.55: 1.00				
1.35 : 1.00				
1.15 : 1.00				
0.825 : 1.00				

Period Ending March 31, 2020	0.825:1.00
Period Ending June 30, 2020	0,625:1.00
Period Ending September 30, 2020	0.425 : 1.00
Period Ending December 31, 2020	0.250 : 1.00
Period Ending March 31, 2021	0.250 : 1.00

9.4 <u>Capital Expenditures</u>. Borrower, together with the Subsidiary Guarantors, on a consolidated basis, shall not make or become obligated to make any Capital Expenditures, except for Capital Expenditures in the Ordinary Course that in the aggregate during any fiscal year do not exceed \$1,000,000.00 or in a budget approved by Lender.

## 10. EVENTS OF DEFAULT.

Borrower, without notice or demand of any kind, shall be in default under this Agreement upon the occurrence of any of the following events (each an "Event of Default").

- 10.1 <u>Nonpayment of Obligations</u>. Failure to pay on or before when due (and during the continuance of such failure) any amount owing on any Note or any of the Obligations, whether by its terms or as otherwise provided herein.
- 10.2 <u>Breach of Warranty: Misrepresentation.</u> Any warranty, representation, certificate or statement of any Obligor in this Agreement, the other Loan Documents or any other agreement with Lender shall be false in any material respect when made or, if such warranty, representation, certificate or statement relates to a date other than the date as of which made, then as of such date, or if any financial data or any other information now or hereafter furnished to Lender by or on behalf of any Obligor shall prove to be false, inaccurate or misleading in any material respect.
- 10.3 Nonperformance. Except for the events described in this Section 10 (for which the applicable notice and/or cure periods set forth in this Section 10 shall apply), any failure to perform or default in the performance of any covenant, condition or agreement contained in this Agreement and, if capable of being cured, such failure to perform or default in performance continues for a period of five (5) Business Days after Borrower receives written notice of such failure to perform or default in performance, or in the other Loan Documents or any other agreement with Lender and such failure to perform or default in performance continues beyond any applicable grace or cure period.
- 10.4 <u>Default under Loan Documents</u>. A default under any Loan Document that continues unremedied after any expressly stated notice and cure or grace period in such Loan Document.
- 10.5 <u>Default under Other Debt</u>. Any default by any Obligor or any Affiliate of any Obligor in the payment of any Debt (including other Debt owed to Lender) for any other obligation beyond any expressly stated notice and cure or grace period provided with respect

thereto or in the performance of any other term, condition or covenant contained in any agreement (including any capital or operating lease or any agreement in connection with the deferred purchase price of property) under which any such obligation is created.

- 10.6 Other Material Obligations. Any default in the payment when due, or in the performance or observance of, any obligation of, or condition agreed to by, any Obligor with respect to any purchase or lease of goods or services, and Lender determines, in its reasonable discretion, that such default could have a Material Adverse Effect.
- 10.7 <u>Bankruptcy, Insolvency, etc.</u> Any Obligor becomes insolvent or generally fails to pay, or admits in writing its inability or refusal to pay, debts as they become due; or any Obligor applies for, consents to, or acquiesces in the appointment of a trustee, receiver or other custodian for such Obligor or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for any Obligor or for a substantial part of the property of any thereof and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of any Obligor, and if such case or proceeding is not commenced by such Obligor, it is consented to or acquiesced in by such Obligor, or remains undismissed for sixty (60) days; or any Obligor takes any action to authorize, or in furtherance of, any of the foregoing.
- 10.8 <u>Judgments</u>. The entry of any final judgment, decree, levy, attachment, garnishment or other process, or the filing of any Lien against any Obligor which is not fully covered by insurance, but only if the aggregate amount owing with respect to such final judgments and Liens, inclusive of all costs, expenses, fees and interest, and also including any attorney's fees and costs, is in excess of \$500,000.00.
  - 10.9 Change in Control. The occurrence of any Change in Control.
- 10.10 Collateral Impairment. The entry of any judgment, decree, levy, attachment, garnishment or other process, or the filing of any Lien against, any of the Collateral and such judgment or other process shall not have been, within thirty (30) days from the entry thereof, (i) bonded over to the satisfaction of Lender and appealed, (ii) vacated, or (iii) discharged, or the loss, theft, destruction, seizure or forfeiture, or the occurrence of any deterioration or impairment of any of the Collateral or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes the Collateral, in the sole opinion of Lender acting in good faith, to become unsatisfactory as to value or character, or which causes Lender to reasonably believe that it is insecure and that the likelihood for repayment of the Obligations is or will soon be impaired, time being of the essence. The cause of such deterioration, impairment, decline or depreciation shall include, but is not limited to, the failure by Borrower to do any act deemed necessary by Lender to preserve and maintain the value and collectability of the Collateral.
- 10.11 <u>Material Adverse Effect</u>. The occurrence of any development, condition or event which has a Material Adverse Effect on any Obligor or any of Subsidiary of any Obligor.

- 10.12 <u>Default under the MIPA</u>. In the event that (a) there is a breach of any representation or warranty by Borrower or any Obligor pursuant to the MIPA, or (b) Borrower or any Obligor shall be in default with respect to any covenant or any of its other obligations contained in the MIPA or any other agreements entered into in connection therewith beyond any applicable and expressly provided notice and cure or grace period.
- 10.13 <u>Guaranty</u>. There is a discontinuance by any of the Guarantors of the Guaranty or any Guarantor shall contest the validity of such Guaranty.
- 10.14 <u>Death of Individual; Disability of Ferrer.</u> The death or legal declaration of incompetency of Ferrer or any other Obligor who is a natural person; or the Disability of Ferrer.
- 10.15 Employment & Non-compete Agreements. The failure to deliver the Employment & Non-compete Agreements as provided in Section 3.1(h) of this Agreement.
- 10.16 <u>Control Agreements</u>. The failure to deliver the Control Agreements as provided in <u>Section 3.1(f)</u> of this Agreement.
- 10.17 Change in Management. The failure of Ferrer, Dan Hyer and/or Joe Kiapig to continue as Chief Executive Officer, Chief Revenue Officer, and Chief Technology Officer, respectively, of Borrower; provided that in event that Ferrer, Dan Hyer and/or Joe Kiapig (i) dies, (ii) is disabled to the extent that he cannot reasonably continue his duties or (iii) is terminated or resigns, the Board of Directors or Managers of the Borrower shall have not more than thirty (30) days after such event to propose a successor acceptable to Lender in its sole discretion.
- 10.18 <u>UGC Default</u>. Any breach or default under the UGC Loan that continues unremedied after any expressly stated notice and cure or grace period applicable thereto.
- 10.19 <u>Change in Laws</u>. Any change in laws with respect to any foreign, federal, state or local laws, rules, regulations, statutes or ordinances governing any of the Collateral or any of the business or operations of Borrower or the Subsidiary Guarantors, which Lender, in its sole discretion, believes might have a Material Adverse Effect.

#### 11. REMEDIES.

11.1 Generally. Upon the occurrence and during the continuance of an Event of Default, Lender shall have all rights, powers and remedies set forth in the Transaction Documents, in any written agreement or instrument (other than this Agreement and the Loan Documents) relating to any of the Obligations or any security therefor or as otherwise provided at law or in equity. Without limiting the generality of the foregoing, Lender may, at its option upon the occurrence of an Event of Default, declare all Obligations to be immediately due and payable, provided, however, that upon the occurrence of an Event of Default under Sections 10.7 or 10.9, all Obligations shall be automatically due and payable, all without demand, notice or further action of any kind required on the part of Lender. In the event that Lender, with respect to any Collateral, exercises any right of foreclosure, repurchase or other right to cause the sale of such Collateral, Lender shall be entitled to deduct from the purchase or transfer price therefor (whether payable by Lender or by any other party) the estimated amount of any taxes that Lender

determines are likely to be owing in connection with such sale or transfer (with said determination to be made by Lender in its sole and absolute discretion).

- 11.2 Additional Remedy upon Death or Disability of Ferrer. Upon the occurrence of an Event of Default that arises due to the death or Disability of Ferrer, if at the time such Event of Default arises, the Obligations are less than 50% paid, then Lender shall have, in addition to all other remedies described above in Section 11.1, the right to retain all of the Collateral, including all of the membership and equity interests collaterally assigned to Lender, in full payment of the remaining balance of the Obligations, which remedy Lender may elect to exercise or not exercise in its sole and absolute discretion. Borrower and Obligors acknowledge and agree that if such a significant amount of the Obligations remain unpaid at the time of an Event of Default that arises due to the death or Disability of Ferrer, the inability of Ferrer to thereafter manage the Acquired Business and the Collateral will substantially decrease the value of the Collateral, and the parties have made this provision for the complete retention of the Collateral as an additional Lender remedy in such event because it would be difficult to calculate, on the date hereof, the amount of actual damages for such a breach, and the parties agree that the retention of the Collateral in full payment of the then outstanding Obligations represents a reasonable remedy to Lender for such breach. The parties further acknowledge that as additional consideration for the possible complete retention of the Collateral by Lender as an additional remedy pursuant to this Section 11.2, Lender shall cause its Affiliate to execute such documents as are reasonably necessary to consent to the change of the policy beneficiary to a new beneficiary designated by Ferrer with respect to that \$10,000,000 Term Life Insurance Policy, Policy No. 113000647, issued by AXA Equitable Life Insurance Company, a stock company (the "Beneficiary Change Procedure").
- 11.3 Matters Waived and Not Waived. Borrower hereby waives any and all presentment, demand, notice of dishonor, protest, and all other notices and demands in connection with the enforcement of Lender's rights under the Loan Documents, and hereby consents to, and waives notice of release, with or without consideration, of any Obligor of any Collateral, notwithstanding anything contained herein or in the Loan Documents to the contrary. No Event of Default shall be waived by Lender except in writing. No failure or delay on the part of Lender in exercising any right, power or remedy hereunder shall operate as a waiver of the exercise of the same or any other right at any other time; nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. There shall be no obligation on the part of Lender to exercise any remedy available to Lender in any order. Lender reserves the right to assess and collect a fee in connection with any agreement by Lender to waive the violation of any covenant contained in the Loan Documents or to waive or forego its rights and remedies upon the occurrence of an Event of Default.
- 11.4 <u>Remedies Cumulative</u>. The remedies provided for herein are cumulative and not exclusive of any remedies provided at law or in equity.
- 11.5 <u>Injunctive Relief.</u> Borrower agrees that in the event that Borrower fails to perform, observe or discharge any of its Obligations or liabilities under this Agreement or any other Loan Documents, no remedy of law will provide adequate relief to Lender, and further

agrees that Lender shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

- 12. AGREEMENTS UPON BANKRUPTCY. Borrower agrees that in the event it determines to file an insolvency proceeding or one is filed against it, Borrower will file any such proceeding in the United States Bankruptcy Court for the District of Delaware and in all events in a bankruptcy court in the United States. In the event an insolvency proceeding is commenced against Borrower in a court other than in the United States, Borrower will seek to the fullest extent permitted by applicable law to move the proceeding to the United States Bankruptcy Court for the District of Delaware. In the event that a proceeding brought by or against Borrower or any Obligor pursuant to Title 11 United States Code, including any amendments, modifications, replacements to the code or similar federal proceedings ("Bankruptcy Proceeding") or that an proceeding pursuant to Title 11 United States Code, Chapter 15 is commenced by or against Borrower or that the following would be applicable in any proceeding commenced in a foreign court. Borrower, stipulates and agrees that:.
- Borrower will execute, and Borrower will cause each other Obligor to execute, such documents as are requested by Lender to allow Lender to be granted immediate and complete relief from all bankruptcy stays and injunctions, including the automatic stay of Bankruptcy Code § 362(a), so that Lender can exercise all of its rights and remedies under the Loan Documents. Borrower will execute, and Borrower will cause each other Obligor a to execute, any and all additional documents and take any other actions necessary for Lender to obtain such stay relief in any Bankruptcy Proceeding. Borrower further agrees that it will take no action, and it will cause each other Obligor to refrain from taking any action, directly or indirectly, to impede or impair Lender's exercise of its right to stay relief as provided herein.
- 12.2 In any Bankruptcy Proceeding, Borrower acknowledges and agrees that Lender is entitled to adequate protection of its interests in the Collateral and that neither Borrower nor any other Obligor will oppose any request of Lender for adequate protection pursuant to applicable provisions of the Bankruptcy Code.
- 12.3 Upon the occurrence of a Bankruptcy Proceeding, and if any of the Collateral is included within the Bankruptcy Estate pursuant to, and defined in, Bankruptcy Code § 541 or is otherwise administered in the Bankruptcy Proceeding, then all rents and sales proceeds from the Collateral (if included in the Bankruptcy Estate), accounts receivable, contracts rights, contracts and general intangibles (any other Collateral defined as "Cash Collateral" by Bankruptcy Code § 363(a)) will be deemed to be "Cash Collateral" for purposes of Bankruptcy Code § 363 and, and will be subject to the first and prior secured claims of Lender in and to such Cash Collateral. Further, Borrower acknowledges and confirms that Lender now holds, and will continue to hold, a valid and perfected first and prior lien on all rents and the proceeds of the Collateral upon the occurrence of any Bankruptcy Proceeding.
- 12.4 Borrower acknowledges that the Loan Documents are fully executed agreements and not an executory contracts within the meaning of Bankruptcy Code § 365. Accordingly, upon the occurrence of a Bankruptcy Proceeding prior to the full performance hereof, neither this Loan Agreement nor any documents executed in conjunction herewith may be assumed or rejected in the Bankruptcy Proceeding. In all events, if a Bankruptcy Court determines that any

of the Loan Documents is an executory contract within the meaning of Bankruptcy Code § 365, Borrower acknowledges and agree that any Loan Document is a contract providing for financial accommodations by Lender, and, therefore, it is not subject to assumption without the consent of Lender and Lender is not be obligated to permit such assumption.

#### 13. MISCELLANEOUS.

- 13.1 <u>Obligations Absolute</u>. None of the following shall affect the Obligations of Borrower to Lender under this Agreement or Lender's rights with respect to the Collateral:
- (a) acceptance or retention by Lender of other property or any interest in property as security for the Obligations;
- (b) release by Lender of Borrower, any Obligor or of all or any part of the Collateral or of any party liable with respect to the Obligations;
- (c) release, extension, renewal, modification or substitution by Lender of any Note, or any note evidencing any of the Obligations, or the compromise of the liability of any of the Guarantors; or
- (d) failure of Lender to resort to any other security or to pursue Borrower or any other Obligor liable for any of the Obligations before resorting to remedies against the Collateral.
- Entire Agreement. This Agreement and the other Loan Documents (i) are valid, binding and enforceable against Borrower and Lender in accordance with their respective provisions and no conditions exist as to their legal effectiveness; (ii) constitute the entire agreement between the parties with respect to the subject matter hereof and thereof; and (iii) are the final expression of the intentions of Borrower and Lender. No promises, either expressed or implied, exist between Borrower and Lender, unless contained herein or therein. This Agreement, together with the other Loan Documents, supersedes all negotiations, representations, warranties, commitments, term sheets, discussions, negotiations, offers or contracts (of any kind or nature, whether oral or written) prior to or contemporaneous with the execution hereof with respect to any matter, directly or indirectly related to the terms of this Agreement or the other Loan Documents. This Agreement and the other Loan Documents are the result of negotiations among Lender, Borrower and the other parties thereto, and have been reviewed (or have had the opportunity to be reviewed) by counsel to all such parties, and are the products of all parties. Accordingly, this Agreement and the other Loan Documents shall not be construed more strictly against Lender merely because of Lender's involvement in their preparation.
- 13.3 Amendments; Waivers. No delay on the part of Lender in the exercise of any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise by Lender of any right, power or remedy preclude other or further exercise thereof, or the exercise of any other right, power or remedy. No amendment, modification or waiver of, or consent with respect to, any provision of this Agreement or the other Loan Documents shall in any event be effective unless the same shall be in writing and acknowledged by Lender, and then

any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

- 13.4 FORUM SELECTION AND CONSENT TO JURISDICTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE OF DELAWARE SITTING IN NEW CASTLE COUNTY, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT. OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT ANY PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AGAINST ANY OTHER PARTY OR THEIR RESPECTIVE PROPERTIES IN THE COURTS OF ANY JURISDICTION.
- 13.5 WAIVER OF JURY TRIAL. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BORROWER BY EXECUTION HEREOF AND LENDER BY ACCEPTANCE HEREOF, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT EACH MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE LOAN DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO ACCEPT THIS AGREEMENT.
- 13.6 Assignability. Lender may at any time assign Lender's rights in this Agreement, the other Loan Documents, the Obligations, or any part thereof and transfer Lender's rights in any or all of the Collateral, and Lender thereafter shall be relieved from all liability with respect to such Collateral. In addition, Lender may at any time sell one or more participations in the Loan. Without limiting the foregoing, Borrower hereby acknowledges that it has received notice of, and Borrower agrees to honor, the contribution by Lender of this Agreement, the other Loan Documents and all rights with respect to the Loan to New Lender. Borrower may not sell or assign this Agreement, or any other agreement with Lender or any portion thereof, either voluntarily or by operation of law, without the prior written consent of Lender, which consent Lender may give or withhold in its sole and absolute discretion. This Agreement shall be binding upon Lender and Borrower and their respective legal representatives and successors. All references herein to Borrower shall be deemed to include any successors, whether immediate or remote. In the case of a joint venture or partnership, the term "Borrower" shall be deemed to include all joint venturers or partners thereof, who shall be jointly and severally liable hereunder.

- 13.7 <u>Confirmations</u>. Borrower and Lender agree from time to time, upon written request received by it from the other, to confirm to the other in writing the aggregate unpaid principal amount of the Loan then outstanding under such Note.
- 13.8 <u>Binding Effect</u>. This Agreement shall become effective upon execution by Borrower and Lender. If this Agreement is not dated or contains any blanks when executed by Borrower, Lender is hereby authorized, without notice to Borrower, to date this Agreement as of the date when it was executed by Borrower, and to complete any such blanks according to the terms upon which this Agreement is executed.
- 13.9 Governing Law. This Agreement, the Loan Documents and any Note shall be delivered and accepted in and shall be deemed to be contracts made under and governed by the internal laws of the State of Delaware applicable to contracts made and to be performed entirely within such state, without regard to conflict of laws principles.
- 13.10 <u>Enforceability</u>; <u>Severability</u>. Wherever possible, each provision of this Agreement and each remedy provided to Lender hereunder shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or remedy in this Agreement shall be prohibited by, unenforceable or invalid under applicable law, then, to the extent of such prohibition or invalidity (but not to any greater extent), such provision or remedy shall be severed from this Agreement and shall be ineffective; provided, however, that the severing of any provision or remedy herein shall not invalidate or impact the enforceability of the remaining provisions and remedies of this Agreement.
- 13.11 Survival of Borrower Representations, Warranties and Covenants. All covenants, agreements, representations and warranties made by Borrower herein shall, notwithstanding any investigation by Lender, be deemed material and relied upon by Lender and shall survive the making and execution of this Agreement and the Loan Documents and the issuance of any Note, and shall be deemed to be continuing representations, warranties and covenants until such time as Borrower has fulfilled all of its Obligations to Lender, and Lender has been indefeasibly paid in full in cash; provided, however, that those covenants that by their express terms survive the payment of the Obligations shall continue thereafter. Lender, in extending financial accommodations to Borrower, is expressly acting and relying on the aforesaid representations and warranties.
- 13.12 <u>Time of Essence</u>. Time is of the essence in making payments of all amounts due Lender under this Agreement and in the performance and observance by Borrower of each covenant, agreement, provision and term of this Agreement.
- 13.13 Counterparts; Facsimile Signatures. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement. Receipt of an executed signature page to this Agreement by facsimile or other electronic transmission shall constitute effective delivery thereof. Electronic records of executed Loan Documents maintained by Lender shall be deemed to be originals thereof.

13.14 Notices. All notices required or permitted to be given hereunder shall be in writing and may be given in person or by United States mail, by delivery service or by electronic transmission. Any notice directed to a party to this Agreement shall become effective upon the earliest of the following: (i) actual receipt by that party; (ii) delivery to the designated address of that party, addressed to that party; or (iii) if given by certified or registered United States mail, twenty-four (24) hours after deposit with the United States Postal Service, postage prepaid, addressed to that party at its designated address. The designated address of a party shall be the address of that party shown below or such other address as that party, from time to time, may specify by notice to the other parties.

Lender Address (for both Original Lender and New Lender):

c/o Cereus Properties, LLC 8901 East Pima Center Parkway

Suite 145

Attention: Jed Brunst Scottsdale, Arizona 85258 Telephone:

Facsimile: N/A

Email:

A copy of any notice to Lender also shall be provided to:

Don Moon P.O. Box 1513

Prescott, Arizona 86302

Telephone:

Facsimile: N/A

Email:

-and-

Susan G. Boswell Quarles & Brady LLP One South Church Avenue

Suite 1700

Tucson, Arizona 85701 Telephone:

Facsimile:

Email:

# Borrower Address:

Atlantische Bedrijven C.V. 2501 Oak Lawn Avenue, Suite 700 Dallas, Texas 75219

Attention: Carl A. Ferrer

Telephone: N/A

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Facsimile: N/A Email:

A copy of any notice to Borrower also shall be provided to:

Larry L. Shosid
Bell Nunnally & Martin LLP
3232 McKinney Avenue
Suite 1400
Dallas, Texas 75204
Telephone:
Facsimile:
Email:

13.15 Release of Claims Against Lender. In consideration of Lender making the Loan, Borrower and all other Obligors do each hereby release and discharge Lender of and from any and all claims, harm, injury, and damage of any and every kind, known or unknown, legal or equitable, which any Obligor may have against Lender from the date of their respective first contact with Lender until the date of this Agreement, including any claim arising from any reports (environmental reports, surveys, appraisals, etc.) prepared by any parties hired or recommended by Lender. Borrower and all other Obligors confirm to Lender that they have reviewed the effect of this release with competent legal counsel of their choice, or have been afforded the opportunity to do so, prior to execution of this Agreement and the other Loan Documents and do each acknowledge and agree that Lender is relying upon this release in extending the Loan to Borrower.

13.16 Costs, Fees and Expenses. Borrower shall pay or reimburse Lender for all reasonable documented costs, fees and expenses incurred by Lender or for which Lender becomes obligated in connection with the negotiation, preparation, consummation, collection of the Obligations or enforcement of this Agreement, the MIPA, the other Transaction Documents, and all other documents provided for herein or therein, or delivered or to be delivered hereunder or thereunder, or in connection herewith or therewith (including any amendment, supplement or waiver to any Loan Document or the MIPA), or during any workout, restructuring or negotiations in respect thereof, including reasonable consultants' fees and attorneys' fees and time charges of counsel to Lender, which shall also include attorneys' fees and time charges of attorneys who may be employees of Lender or any Affiliate of Lender, plus costs and expenses of such attorneys or of Lender; and search fees, costs and expenses. In furtherance of the foregoing, Borrower shall pay any and all stamp and other Taxes, UCC search fees, filing fees and other costs and expenses in connection with the execution and delivery of this Agreement, any Note, the other Loan Documents to be delivered hereunder, and agrees to save and hold Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such costs and expenses. That portion of the Obligations consisting of costs, expenses or advances to be reimbursed by Borrower to Lender pursuant to this Agreement, the other Loan Documents which are not paid on or prior to the date hereof shall be payable by Borrower to Lender on demand. If at any time or times hereafter Lender: (a) employs counsel for advice or other representation (i) with respect to this Agreement, the other Loan Documents, (ii) to represent Lender in any litigation, contest, dispute, suit or proceeding or to commence, defend, or intervene or to take any other action in or with respect to any litigation, contest, dispute, suit, or proceeding (whether instituted by Lender, Borrower, or any other Person) in any way or respect relating to this Agreement, the other Loan Documents or Borrower's business or affairs, or (iii) to enforce any rights of Lender against Borrower or any other Person that may be obligated to Lender by virtue of this Agreement or the other Loan Documents; (b) takes any action to protect, collect, sell, liquidate, or otherwise dispose of any of the Collateral; and/or (c) attempts to or enforces any of Lender's rights or remedies under this Agreement or the other Loan Documents, the costs and expenses incurred by Lender in any manner or way with respect to the foregoing, shall be part of the Obligations, payable by Borrower to Lender on demand. Further, the parties contemplate that certain officers and employees of Lender and its Affiliates, from time to time, will provide services to Borrower and its Affiliates. The costs and expenses incurred by Lender and its Affiliates in any manner or way with respect to the foregoing services, which costs shall include, without limitation, an allocable pro rata share of the salaries, benefits and other compensation of any nature payable to any individuals employed or retained by Lender or any of its Affiliates that assist in the providing of such services, all as determined by Lender, shall be part of the Obligations, payable by Borrower to Lender on demand.

13.17 <u>Indemnification</u>. Borrower agrees to defend (with counsel satisfactory to Lender), protect, indemnify, exonerate and hold harmless each Indemnified Party from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and distributions of any kind or nature (including the disbursements and the reasonable fees of counsel for each Indemnified Party thereto, which shall also include, without limitation, reasonable attorneys' fees and time charges of attorneys who may be employees of any Indemnified Party), which may be imposed on, incurred by, or asserted against, any Indemnified Party (whether direct, indirect or consequential and whether based on any foreign, federal, state or local laws or regulations, including securities laws, Environmental Laws, commercial laws and regulations, under common law or in equity, or based on contract or otherwise) in any manner relating to or arising out of this Agreement, any of the Loan Documents, or any act, event or transaction related or attendant thereto, the preparation, execution and delivery of this Agreement or the Loan Documents, including the making or issuance and management of the Loan, the use or intended use of the proceeds of the Loan, the enforcement of Lender's rights and remedies under this Agreement or the Loan Documents, any other instruments and documents delivered hereunder, or under any other agreement between Borrower and Lender; provided, however, that Borrower shall not have any obligations hereunder to any Indemnified Party with respect to matters determined by a court of competent jurisdiction by final and nonappealable judgment to have been caused by or resulting from the willful misconduct or gross negligence of such Indemnified Party. To the extent that the undertaking to indemnify set forth in the preceding sentence may be unenforceable because it violates any law or public policy, Borrower shall satisfy such undertaking to the maximum extent permitted by applicable law; provided, however, that any failure to indemnify to the full extent set forth in the preceding sentence, regardless of the reason for such failure, shall constitute an Event of Default. Any liability, obligation, loss, damage, penalty, cost or expense covered by this indemnity shall be paid to each Indemnified Party on demand, and failing prompt payment, together with interest thereon at the Default Rate from the date incurred by each Indemnified Party until paid by Borrower, shall be added to the Obligations of Borrower and be secured by the Collateral. The provisions of this

Section shall survive the satisfaction and payment of the other Obligations and the termination of this Agreement.

- 13.18 Revival and Reinstatement of Obligations. If the incurrence or payment of the Obligations by any Obligor or the transfer to Lender of any property should for any reason subsequently be declared to be void or voidable under any foreign, federal or state law relating to creditors' rights, including provisions of Bankruptcy Code relating to fraudulent conveyances, preferences, or other voidable or recoverable payments of money or transfers of property (collectively, a "Voidable Transfer"), and if Lender is required to repay or restore, in whole or in part, any such Voidable Transfer, or elects to do so upon the reasonable advice of its counsel, then, as to any such Voidable Transfer, or the amount thereof that Lender is required or elects to repay or restore, and as to all reasonable costs, expenses, and attorneys fees of Lender, the Obligations shall automatically shall be revived, reinstated, and restored and shall exist as though such Voidable Transfer had never been made.
- 13.19 <u>Joint and Several</u>. If Borrower consists of more than one person or entity their liability shall be joint and several. The provisions hereof shall apply to the parties according to the context thereof and without regard to the number or gender of words or expressions used.
- 13.20 <u>Patriot Act Notice</u>. To help fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For purposes of this <u>Section 13.20</u>, account shall be understood to include loan accounts.
- 13.21 Agreement Jointly Drafted. The parties agree that this Agreement shall not be construed against any party to this Agreement on the grounds that such party drafted this Agreement, but shall be construed as if all parties jointly prepared this Agreement, and any uncertainty or ambiguity shall not on such grounds be interpreted against any one party.
- 13.22 Advice of Counsel Obtained. Each of the parties acknowledges and represents that it has had the opportunity to consult with legal, financial, and other professional advisors as it deems appropriate in connection with its consideration and execution of this Agreement. Each undersigned party further represents and declares that in executing this Agreement, it has relied solely upon its own judgment, belief and knowledge, and the advice and recommendation of its own professional advisors, concerning the nature, extent and duration of its rights, obligations and claims; that it has reviewed its records, evaluated its position and conducted due diligence with regard to all rights, claims or causes of action whatsoever with respect to any and all other parties; and that it has not been influenced to any extent whatsoever in executing this Agreement by any representations or statements made by the other party or its representatives, except those expressly contained herein.
- 13.23 <u>Construction with MIPA</u>. To the greatest extent possible, this Agreement and the other Loan Documents, on the one hand, and the MIPA, on the other hand, shall be construed as consistent and as supplementing one another; provided, however, that in the event of any conflict between the terms and conditions of this Agreement or any other Loan Document, on the one hand, and the terms and conditions of the MIPA, on the other hand, the terms and conditions of this Agreement and the other Loan Documents shall be controlling.

[Signatures appear on following page.]

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י או	WITNESS	WHEREOF,	Borrower	and	Original	Lender	have	executed	this	Loan
Agreement	as of the da	te first above	written.		_					

ATLANTISCHE BEDRIJVEN, C.V., a Dutch limited partnership

By: Kickapoo River Investments LLC, its sole general partner

By: Carl A. Ferrer
Title: Chief Executive Officer

VERMILLION HOLDINGS, LLC, a Delaware limited llability company

By: Name: John E. Brunst

Title: President

# CONFIRMATION OF CONTRIBUTION OF LOAN

Vermillion Holdings, LLC, as Original Lender, hereby confirms that it has contributed this Loan Agreement and all right, title and interest in and to the Loan to Shearwater Investments, LLC, as New Lender, and Shearwater Investments, LLC hereby acknowledges its receipt and acceptance of such contribution.

limited	liability company
Ву;	
Name:	John E. Brunst
Title:	President
	WATER INVESTMENTS, LLC, re limited liability company
Ву:	
Name: 1	John E. Brunst
Title: I	President

VERMILLION HOLDINGS, LLC, a Delaware

[Signature Page - Loan Agreement (UGC Foreign Operations)]

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IN WITNESS WHEREOF, Borrower and Original Lender have executed this Loan Agreement as of the date first above written.

> ATLANTISCHE BEDRIJVEN, C.V., a Dutch limited partnership

> By: Kickapoo River Investments LLC, its sole general partner

> > By:

Name: Carl A. Ferrer

Title:

Chief Executive Officer

VERMILLION HOLDINGS, LLC, a Delaware

limited liability company

Title: President

## CONFIRMATION OF CONTRIBUTION OF LOAN

Vermillion Holdings, LLC, as Original Lender, hereby confirms that it has contributed this Loan Agreement and all right, title and interest in and to the Loan to Shearwater Investments, LLC, as New Lender, and Shearwater Investments, LLC hereby acknowledges its receipt and acceptance of such contribution.

VERMILLION HOLDINGS, LLC, a Delaware

limited liability company

By:

Name: John F. Brunst Title: President

SHEARWATER INVESTMENTS,

LLC,

Delaware limited liability company

Name: John E Brunst

Title: President

[Signature Page - Loan Agreement (Backpage US Operations)]

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#### List of Schedules

A SPE Covenants

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#### Schedule A

Borrower shall cause each Affiliate entity of Borrower that is domiciled anywhere within the United States, including without limitations Amstel, Lupine Holdings, LLC, a Delaware limited liability company, Kickapoo River Investments, LLC, a Delaware limited liability company, CF Holdings GP LLC, a Delaware limited liability company, and CF Acquisitions LLC, a Delaware limited liability company, to have the following SPE Covenants incorporated directly into its Operating Agreement substantially in the form as follows as is approved by Lender:

#### 1. Special Member.

Upon the occurrence of any event that causes the [last remaining Member] [the Member] to cease to be a member of the Company (other than upon continuation of the Company without dissolution upon (i) an assignment by the [last remaining Member] [the Member] of all of its membership interest in the Company and the admission of the transferee pursuant to [the Section on Assignments] and [the Section on Admission of Additional Members], or (ii) the resignation of the [last remaining Member] [the Member] and the admission of an additional member of the Company pursuant to [the Section on Resignation] and [the Section on Admission of Additional Members]), the Person acting as the Independent Manager pursuant to [the Section on the Independent Manager] shall, without any action of any Person and immediately prior to [last remaining Member] [the Member] ceasing to be a member of the Company, automatically be admitted to the Company as a special Member (a "Special Member") and shall continue the Company without dissolution. No Special Member may resign from the Company or transfer its rights as Special Member hereunder unless (i) a successor Person has been admitted to the Company as Special Member, and (ii) such successor Person has also accepted its appointment as Independent Manager pursuant to [the Section on the Independent Manager]; provided, however, that the Special Member shall automatically cease to be a member of the Company upon the admission to the Company of a substitute Member (exclusive of the Special Member). A Special Member shall be a member of the Company that has no interest in the profits, losses and capital of the Company and has no right to receive any distributions of Company assets. Pursuant to Section 18-301 of the DLLCA, the Special Member shall not be required to make any capital contributions to the Company and shall not receive a membership interest in the Company. A Special Member, in its capacity as Special Member, may not bind the Company. Except as required by any mandatory provision of the DLLCA, a Special Member, in its capacity as Special Member, shall have no right to vote on, approve or otherwise consent to any action by, or matter relating to, the Company, including, without limitation, the merger, consolidation or conversion of the Company. Prior to its admission to the Company as Special Member, such Person acting as an Independent Manager pursuant to [the Section on the Independent Manager] shall not be a member of the Company.

#### 2. Purpose of the Company.

(a) As long as the Obligations are outstanding, the sole purpose of the Company shall be to hold a [membership interest in the Partner LLCs which shall in turn hold partnership interests in Atlantic] [partnership interest in Atlantic] [a partnership interest in UGC], which shall engage only in the business of developing, designing, inventing, creating, marketing and

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selling classified internet advertisements and related websites directly or indirectly only by and through the Company Related Parties.

(b) The Company is hereby authorized to execute, deliver and perform, and [Carl] [the Member] on behalf of the Company, is hereby authorized to execute and deliver, the Loan Documents and all documents, agreements, certificates, or financing statements contemplated thereby or related thereto, all without any further act, vote or approval of any other Person notwithstanding any other provision of this Agreement. The foregoing authorization shall not be deemed a restriction on the powers of the [Members or the Managers] [Member] to enter into other agreements on behalf of the Company.

#### 3. Independent Manager.

- As long as the Obligations are outstanding, [the Members and the Board of Managers] [the Member] shall cause the Company at all times to have an Independent Manager who will be appointed by the [Board of Managers] [Member] and shall be acceptable to the Lender. The initial Independent Manager shall be a party to this Agreement. To the fullest extent permitted by law, including Section 18-1101(c) of the DLLCA, and notwithstanding any duty otherwise existing at law or in equity, the Independent Manager shall consider only the interests of [the Company, Atlantic] [the Company, UGC] and each other Company Related Party, including their respective creditors, in acting or otherwise voting on the matters referred to in [the Subsection on Material Actions in the Section on Limitations on the Company's Activities]. No resignation or removal of an Independent Manager, and no appointment of a successor Independent Manager, shall be effective until such successor (i) shall have accepted his or her appointment as an Independent Manager by a written instrument, which may be a counterpart signature page to this Agreement or such other agreement (pursuant to which such Independent Manager agrees to be bound by the terms and conditions of this Agreement) approved by the [Board of Managers] [Member], and (ii) shall have executed a counterpart to this Agreement. In the event of a vacancy in the position of Independent Manager, the [Board of Managers] [Member] shall use its best efforts to immediately appoint a successor Independent Manager. All right, power and authority of the Independent Manager shall be limited to the extent necessary to exercise those rights and perform those duties specifically set forth in this Agreement. Except for duties to the Company as set forth in this [Section on the Independent Manager] (including duties to the [Members] [Member] and [Atlantic's, UGC's] [UGC's] and the Company's creditors solely to the extent of their respective economic interests in the Company but excluding (i) all other interests of the [Members] [Member], (ii) the interests of other Affiliates of the Company, and (iii) the interests of any group of Affiliates of which the Company is a part), the Independent Manager shall not have any fiduciary duties to the [Managers, the Members or any Officer] [the Member or any Officer] or any other Person bound by this Agreement. To the fullest extent permitted by law, including Section 18-1101(e) of the DLLCA, an Independent Manager shall not be liable to the Company, the [Members, the Managers] [Member] or any other Person bound by this Agreement for breach of contract or breach of duties (including fiduciary duties), unless the Independent Manager acted in bad faith or engaged in willful misconduct. No Independent Manager shall at any time serve as trustee in bankruptcy for the Company or any Affiliate of the Company.
  - (b) Notwithstanding anything to the contrary contained in this Agreement, for so long

as the Obligations are outstanding, an Independent Manager shall not be removed or replaced unless the Company provides the Lender with no less than five (5) business days' prior written notice of (i) any proposed removal of such Independent Manager, and (ii) the identity of the proposed replacement Independent Manager, together with a certification that such replacement satisfies the requirements for an Independent Manager set forth in this Agreement.

#### 4. <u>Limitations on the Company's Activities</u>.

- (a) This [Section on Limitations on the Company's Activities] is being adopted in order to comply with certain provisions required in order to qualify the Company as a "special purpose" entity.
- (b) The Member shall not, so long as any Obligation is outstanding, amend, alter, change or repeal the definition of "Independent Manager" or [the Section on the Special Member], [the Section on Purpose], [the Section on Management], [the Section on Distributions(the form of which is subject to Lender's approval)], [the Section on Exculpation and Indemnification (the form of which is subject to Lender's approval)], [the Section on Resignation or Withdrawal], [the Section on Admission of Additional Members], [the Section on Dissolution (the form of which is subject to Lender's approval)], [the Section on Dissolution (the form of which is subject to Lender's approval)], [the Section on Third-Party Rights (the form of which is subject to Lender's approval)], [the Section on Binding Agreement (the form of which is subject to Lender's approval)], or [the Section on Amendments (the form of which is subject to Lender's approval)], or [the Section on Limitations on the Company's Activities], the [Members reserve] [the Member reserves] the right to amend, alter, change or repeal any provisions contained in this Agreement in accordance with the [Section on Amendments].
- (c) <u>Material Action</u>. Notwithstanding any other provision of this Agreement and any provision of law that otherwise so empowers the Company, [the Members or any Manager] [the Member] or any other Person, so long as any Obligation is outstanding, neither [the Members nor any Manager] [the Member] nor any other Person shall be authorized or empowered, nor shall they permit [Atlantic, UGC,] [UGC] the Company or any other Company Related Party, without the prior unanimous written consent of [the Board of Managers and the Independent Manager] [the Member and the Independent Manager] to take any Material Action; provided, however, that, so long as any Obligation is outstanding, [neither the Members nor the Managers may] [the Member may not] authorize the taking of any Material Action unless there is at least one Independent Manager then serving in such capacity and such Independent Manager approves such Material Action.
- (d) [Each Manager (other than the Independent Manager) and each Member] [The Member] shall cause [Atlantic, UGC,] [UGC,] the Company and each other Company Related Party to do or cause to be done all things necessary to preserve and keep in full force and effect its respective existence, rights (charter and statutory) and franchises. [Each Manager (other than the Independent Manager) and each Member] [The Member] also shall cause each of [Atlantic, UGC,] [UGC,] the Company, and each other Company Related Party to:

- (i) maintain its own separate books and records and bank accounts;
- (ii) at all times hold itself out to the public as a legal entity separate from any other Person;
- (iii) file its own tax returns, if any, as may be required under applicable law, to the extent (1) not part of a consolidated group filing a consolidated return or returns or (2) not treated as a division for tax purposes of another taxpayer, and pay any taxes so required to be paid under applicable law;
- (iv) except as contemplated by the Loan Documents, not commingle its assets with assets of any other Person;
- (v) conduct its business in its own name and strictly comply with all organizational formalities to maintain its separate existence;
  - (vi) [reserved];
  - (vii) pay its own liabilities only out of its own funds;
- (viii) maintain an arm's-length relationship with each of the Member, the Company and each other Company Related Party and their respective Affiliates;
  - (ix) pay the salaries of its own employees, if any;
- (vii) except as contemplated by the Loan Documents, not hold out its credit or assets as being available to satisfy the obligations of others;
  - (viii) allocate fairly and reasonably any overhead for shared office space;
- (ix) except as contemplated by the Loan Documents, not pledge its assets for the benefit of any other Person;
  - (x) correct any known misunderstanding regarding its separate identity; and
- (xi) maintain adequate capital in light of its contemplated business purpose, transactions and liabilities.

Failure of [Atlantic, UGC,] [UGC,] the Company, or any other Company Related Party, or [any Member or any Manager] [the Member], to comply with any of the foregoing covenants or any other covenants contained in this Agreement shall not affect the status of [Atlantic, UGC,] [UGC,] the Company, or any other Company Related Party as a separate legal entity.

- (e) So long as the Obligations are outstanding, neither the Company, [any Member, any Manager nor any officer] [any Member, any Manager nor any officer] shall cause or permit [Atlantic, UGC,] [UGC,] the Company, or any other Company Related Party to:
  - (i) except as contemplated by the Loan Documents, guarantee any obligation of any Person, including any Affiliate;

- (ii) engage, directly or indirectly, in any business other than the Business and actions required or permitted to be performed under [the Section on Purpose], the Loan Documents, or [this Section on Limitations on the Company's Activities];
- (iii) incur, create or assume any indebtedness other than as expressly permitted under the Loan Documents;
- (iv) after the Effective Date, make or permit to remain outstanding any loan or advance to, or own or acquire any partnership interests, membership interests, stock, shares, equity interests, or securities of any Person, except that the Company and each other Company Related Party may invest in those investments permitted under the Loan Documents and may make any advance required or expressly permitted to be made pursuant to any provisions of the Loan Documents and permit the same to remain outstanding in accordance with such provisions;
- (v) to the fullest extent permitted by applicable law, engage in any dissolution, liquidation, consolidation, merger, asset sale or transfer of ownership interests other than such activities as are expressly permitted pursuant to any provision of the Loan Documents and subject to obtaining any approvals required under this Agreement; or
- (vi) on and after the Effective Date, except as contemplated or permitted by the Loan Documents, dissolve, liquidate, form, acquire or hold any subsidiary (whether corporation, partnership, limited liability company or other).

For so long as the Obligations are outstanding, the Lender is and shall be an intended third-party beneficiary of the provisions of this Agreement, including, without limitation, this [Section on Limitations on the Company's Activities].

5. <u>Assignments.</u> [Each Operating Agreement will include prohibitions on the transfer of membership interests upon such terms and conditions as may be approved by the Lender].

#### 6. Resignation or Withdrawal.

So long as any Obligation is outstanding, [the last remaining Member] [the Member] may not resign or withdraw as a member of the Company, except with the written consent of the Lender. If [the last remaining Member] [the Member] is permitted to resign pursuant to [this Section on Resignation], an additional member of the Company shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the resignation and, immediately following such admission, the resigning or withdrawing Member shall cease to be a member of the Company.

#### 6. Admission of Additional Members.

One or more additional Members of the Company may be admitted to the Company with

the written consent of [the Board of Managers] [the Member]; provided, however, that, notwithstanding the foregoing, so long as the Obligations remain outstanding, no additional Member may be admitted to the Company [without the written consent of the Lender] [in violation of the Loan Document and the Restriction Agreement].

- 7. <u>Third-Party Beneficiary.</u> [The Lender will be an express third party beneficiary of the Operating Agreement]
- 8. Amendments. [The Operating Agreement may not be amended in violation of the Loan Documents or the Section on Limitation of the Company's activities].
- 9. <u>Partition</u>, [The Operating Agreement will include a prohibition on a Member's right to partition the Company's property]

#### 10. Definitions.

When used in this Agreement, the following terms not otherwise defined herein have the following meanings:

"Atlantic" means Atlantische Bedrijven C.V., a Dutch limited partnership.

"Bankruptcy" (including the correlative term "Bankrupt") means, with respect to any Person, if such Person (a) makes an assignment for the benefit of creditors, (b) files a voluntary petition in bankruptcy, (c) is adjudged a bankrupt or insolvent, or has entered against it an order for relief, in any bankruptcy or insolvency proceedings, (d) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, (e) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of this nature, (f) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the Person or of all or any substantial part of its properties, or (g) if 120 days after the commencement of any proceeding against the Person seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, if the proceeding has not been dismissed, or if within 90 days after the appointment without such Person's consent or acquiescence of a trustee, receiver or liquidator of such Person or of all or any substantial part of its properties, the appointment is not vacated or stayed, or within 90 days after the expiration of any such stay, the appointment is not vacated. The foregoing definition of "Bankruptcy" is intended to replace and shall supersede and replace the definition of "Bankruptcy" set forth in Sections 18-101(1) and 18-304 of the DLLCA.

"Company Related Party" and "Company Related Parties" means (a) any US or foreign corporation, partnership, trust, limited liability company, or other legal entity of which a majority of the outstanding shares or other equity interests having the power to Control are held, directly or indirectly, by the Company, and (b) each of the following:

[(i) the Partner LLCs, (ii) Atlantic, (iii) CF Holdings GP LLC, a Delaware limited liability company, (iv) CF Acquisitions LLC, a Delaware limited liability company, (v) UGC, (vi) Dartmoor Holdings, LLC, a Delaware limited liability company (vii) Backpage.com, LLC, a Delaware limited

liability company; (viii) Website Technologies, LLC, a Delaware, limited liability company; (ix) IC Holdings, LLC, a Delaware limited liability company; (x) Posting Solutions, LLC, a Delaware limited liability company, (xi) Postfaster, LLC, a Delaware limited liability company, (xii) Classified Strategies Cooperatief U.A., a Dutch cooperative association, (xiii) Classified Solutions Ltd., a United Kingdom private limited company, (xiv) Backpage Enterprises Inc., a Quebec Corporation, and (xv) other entities that are Affiliates of the Company.]

[(i) Amstel, (ii) Atlantic, (iii) CF Holdings GP LLC, a Delaware limited liability company, (iv) CF Acquisitions LLC, a Delaware limited liability company, (v) Kickapoo River Holdings, LLC, a Delaware limited liability company, (vi) Lupine Holdings, LLC, a Delaware limited liability company, (vii) UGC, (viii) Dartmoor Holdings, LLC, a Delaware limited liability company (ix) Backpage.com, LLC, a Delaware limited liability company; (xi) Website Technologies, LLC, a Delaware, limited liability company; (xii) IC Holdings, LLC, a Delaware limited liability company; (xii) Posting Solutions, LLC, a Delaware limited liability company, (xiii) Posting Solutions, LLC, a Delaware limited liability company, (xiv) Classified Strategies Cooperatief U.A., a Dutch cooperative association, (xv) Classified Solutions Ltd., a United Kingdom private limited company, (xvii) Backpage Enterprises Inc., a Quebec Corporation, and (xvii) other entities that are Affiliates of the Company.]

"Control" (including the correlative terms "Controlled by" and "Controlling") means the possession, directly or indirectly, of the power to direct, or to cause the direction of, the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Independent Manager" means a natural person selected by the Company (a) with prior experience as an independent director, independent manager or independent member, (b) with at least three (3) years of employment experience, (c) who is provided by a Nationally Recognized Service Company, (d) who is duly appointed as an Independent Manager and is not, will not be while serving as Independent Manager (except pursuant to the provisions of [the Section on Special Member] hereof, providing for the appointment of such Independent Manager to become a "Special Member" upon Member ceasing to be a member of the Company) and shall not have been at any time during the preceding five (5) years, any of the following:

- (i) a stockholder, director (other than as an Independent Manager), officer, employee, partner, attorney or counsel of the Company, any of the Company Related Parties, any Affiliate of the Company or any of the Company Related Parties, or any direct or indirect parent of the Company or any of the Company Related Parties;
- (ii) a customer, supplier or other Person who derives any of its purchases or revenues from its activities with Amstel, the Company or any Affiliate of Amstel or the Company;

- (iii) a Person or other entity Controlling or under common Control with any such member, stockholder, partner, customer, supplier or other Person; or
- (iv) a member of the immediate family of any such member, stockholder, director, officer, employee, partner, customer, supplier or other Person.

A natural person who satisfies the foregoing definition other than clause (ii) shall not be disqualified from serving as an Independent Manager of the Company if such individual is an independent director or special manager provided by a Nationally Recognized Service Company that provides professional independent directors and special managers and also provides other corporate services in the ordinary course of its business.

"Lender" means, with respect to the Atlantic Loan and the UGC Loan, Vermillion Holdings, LLC, a Delaware limited liability company ("Vermillion"); provided, however, that immediately upon consummating the Atlantic Loan and the UCG Loan, Vermillion will contribute and assign to its wholly owned subsidiary, Shearwater Investments, LLC, a Delaware limited liability company ("Shearwater") all of Vermillion's right, title and interest in and to the Atlantic Loan and the UGC Loan. Upon such contribution and assignment, Shearwater shall become the lender on the Atlantic Loan and the UCG Loan, and from and after the time of such contribution and assignment, all references in this Agreement to "Lender" shall be deemed to refer to Shearwater or its successors and assigns.

"Loan Documents" means (a) that certain Loan Agreement dated as of April ____, 2015 and all instruments, notes, documents and certificates contemplated thereby or delivered in connection therewith by and between Atlantic and Vermillion (the "Atlantic Loan"), and (b) that certain Loan Agreement dated as of April ____, 2015 and all instruments, notes, documents and certificates contemplated thereby or delivered in connection therewith by and between UGC and Vermillion (the "UCG Loan"). As provided in the definition of "Lender", Vermillion shall contribute and assign its interests in and to the Atlantic Loan and the UTC Loan to Shearwater.

"Material Action" means (i) to consolidate or merge the Company with or into any Person, (ii) allow or cause [Atlantic, UGC,] [UGC,] or any other Company Related Party to consolidate or merge with or into any Person, (iii) sell all or substantially all of the assets of the Company, (iv) allow or cause [Atlantic, UGC,] [UGC,] or any other Company Related Party to sell all or substantially all of its assets, (v) to institute proceedings to have the Company, [Atlantic, UGC,] [UGC,] or any other Company Related Party, be adjudicated Bankrupt or insolvent, (vi) consent to the institution of Bankruptcy or insolvency proceedings against the Company, [Atlantic, UGC,] [UGC,] or any other Company Related Party, (vii) file a petition seeking, or consent to, reorganization or relief with respect to the Company, [Atlantic, UGC,] [UGC,] or any other Company Related Party, under any applicable foreign, federal, state, local or provincial law relating to Bankruptcy, (viii) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company, [Atlantic, UGC,] [UGC,] or any other Company Related Party, or a substantial part of either of their respective property, (ix) make any assignment for the benefit of creditors of the Company, [Atlantic, UGC,] [UGC,] or any other Company Related Party, (x) admit in writing the Company's, [Atlantic's, UGC's,] [UGC's,], or any other Company Related Party's inability to pay its debts generally as they become due, (xi) take action in furtherance of any such action, or, (xii) to the fullest extent permitted by law, dissolve or liquidate the Company, [Atlantic, UGC,] [UGC,] or any other Company Related Party; provided, however, that the dissolution or liquidation of a Company Related Party specifically permitted under the Loan Documents shall not constitute a Material Action.

"Nationally Recognized Service Company" shall mean any of CT Corporation, Corporation Service Company, National Registered Agents, Inc., Wilmington Trust Company or such other nationally recognized company that provides independent director, independent manager or independent member services and that is reasonably satisfactory to Lender, in each case that is not an Affiliate of the Company or any other Company Related Party and that provides professional independent directors and other corporate services in the ordinary course of its business

"Obligation" shall mean the indebtedness, liabilities and obligations of the Company or any Company Related Party under or in connection with the Loan Documents or any related document in effect as of any date of determination.

"Special Member" means, upon such person's admission to the Company as a member of the Company pursuant to [the Section on Special Member], a person acting as Independent Manager, in such person's capacity as a member of the Company. A Special Member shall only have the rights and duties expressly set forth in this Agreement.

"UGC" means UGC Tech Group CV, a Dutch limited partnership.

# MEMBERSHIP INTEREST PURCHASE AGREEMENT BY AND AMONG VERMILLION HOLDINGS, LLC DARTMOOR HOLDINGS, LLC AND

ATLANTISCHE BEDRIJVEN, C.V.

DATED AS OF APRIL 22, 2015

ATLANTIC HOLDINGS C.V. QB\33813328,21

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#### **Exhibit**

Exhibit A	Earn-out Agreement
Exhibit B	Form of Membership Interest Assignment Agreement
Exhibit C	Form of Loan Agreement
Exhibit D	Form of Note

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#### MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Membership Interest Purchase Agreement, dated as of April 22, 2015 (this "Agreement"), is entered into by and among Vermillion Holdings, LLC, a Delaware limited liability company ("Seller"), Dartmoor Holdings, LLC, a Delaware limited liability company (the "Company"), and Atlantische Bedrijven, C.V., a Dutch limited partnership ("Purchaser"). (Unless the context otherwise makes clear, capitalized terms used in this Agreement are defined in ARTICLE VII.)

#### BACKGROUND

- A. The Company and the Company Subsidiaries are engaged in the business of owning, operating, hosting and providing administrative support services to an online general classified website and other speech generated by third parties in the United States (the "Business").
- B. Seller owns all of the outstanding membership interests of the Company (collectively, the "Interests").
- C. The Company owns directly or indirectly all of the outstanding membership interests of the Company Subsidiaries (collectively, the "Subsidiary Interests").
- D. Seller desires to sell the Interests to Purchaser at the Closing, and Purchaser desires to purchase the Interests from Seller at the Closing, in each case on the terms and subject to the conditions set forth in this Agreement.

#### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties and agreements contained herein, the Parties hereby agree as follows:

## ARTICLE I PURCHASE OF THE INTERESTS

- 1.1. <u>Purchase of the Interests</u>. At the Closing, on the terms and subject to the conditions of this Agreement, Seller will sell and transfer to Purchaser, and Purchaser will purchase and accept from Seller, all of Seller's right, title and interest in and to the Interests, free and clear of any Liens.
- 1.2. <u>Purchase Price</u>. The purchase price (the "<u>Base Purchase Price</u>") for the Interests shall be Five Hundred Twenty-Five Million Seven Hundred Thousand Dollars (\$525,700,000.00), subject to adjustment as provided in <u>Section 1.7</u> and <u>ARTICLE II</u>. At the Closing, Purchaser shall pay to Seller, in accordance with <u>Section 1.8(b)(i)</u>, an amount equal to the Base Purchase Price by Purchaser's execution and delivery to Seller of the Note (the "<u>Closing Date Payment</u>").
- 1.3. <u>Closing.</u> The closing of the purchase and sale of the Interests (the "<u>Closing</u>") shall take place simultaneously with the execution of this Agreement on the date of this

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Agreement (the "Closing Date"). The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 11:00 pm on the Closing Date.

- 1.4. <u>Company Subsidiaries</u>. At the Closing, the Company shall own and hold directly or indirectly One Hundred Percent (100%) of the membership interest in each of the following entities (collectively, the "<u>Company Subsidiaries</u>"): (i) Backpage.com, LLC, a Delaware limited liability company ("<u>Backpage</u>"); (ii) Website Technologies, LLC, a Delaware limited liability company ("<u>Website Technologies</u>"); (iii) IC Holdings, LLC, a Delaware limited liability company ("<u>IC Holdings</u>"); (iv) Posting Solutions, LLC, a Delaware limited liability company ("<u>Posting Solutions</u>"); and (v) Postfaster, LLC, a Delaware limited liability company ("<u>Postfaster</u>").
- 1.5. Excluded Assets. The membership interests in each of Broadway Capital Corp., LLC and Remnant Corp, LLC shall not be included with the assets owned by the Company at Closing, and were or shall be distributed to Seller or its Affiliates prior to the Closing.
- 1.6. Excluded Cash. On the Closing Date, Seller will distribute from the Company to Seller all cash in excess of \$1,000,000 (the "Retained Cash"). The Retained Cash shall be part of and used to calculate the Closing Net Working Capital.
- 1.7. <u>Additional Consideration for the Interests</u>. As additional consideration for the Interests, Seller and Purchaser shall enter into the Earn-out Agreement in the form attached hereto as Exhibit A (the "<u>Earn-out Agreement</u>").

#### 1.8. Closing Deliveries.

- (a) At the Closing, Seller shall deliver to Purchaser:
- (i) the Membership Interest Assignment Agreement in the form attached hereto as Exhibit A (the "Membership Interest Assignment Agreement"), duly executed by Seller;
- (ii) resignations of each of the officers (if any) and managers (if any) of the Company and the Company Subsidiaries effective as of the Closing;
- (iii) written evidence reasonably satisfactory to Purchaser that all consents and approvals set forth on  $\underline{Schedule\ 1.8(a)}$  have been obtained;
- (iv) the Loan Agreement and the Loan Documents in the form attached hereto as Exhibit B (collectively, the "Loan Agreement"), duly executed by Seller;
  - (v) the Earn-out Agreement, duly executed by Seller;
- (vi) a certificate of the Secretary (or equivalent officer) of Seller (A) certifying that attached to such certificate are true and complete copies of its (I) Constitutional Documents, as amended through and in effect on the Closing Date; and (II) resolutions of the Managing Member or the Board of Managers of Seller, duly adopted and in effect, which authorizes the execution, delivery and performance of this

Agreement and the transactions contemplated hereby; and (B) certifying as to the incumbency of the officer(s) of Seller executing this Agreement and the Ancillary Documents;

- (vii) a certificate of the Secretary (or equivalent officer) of the Company (A) certifying that attached to such certificate are true and complete copies of its (I) Constitutional Documents, as amended through and in effect on the Closing Date; and (II) resolutions of the Managing Member or the Board of Managers of the Company, duly adopted and in effect, which authorizes the execution, delivery and performance of this Agreement and the transactions contemplated hereby; and (B) certifying as to the incumbency of the officer(s) of the Company executing this Agreement and the Ancillary Documents:
- (viii) a certificate of good standing and existence for each of Seller and the Company issued by the Secretary of State of the State of Delaware; and
- (ix) such other documents, instruments or agreements necessary to effectuate the transactions contemplated by this Agreement.
  - (b) At the Closing, Purchaser shall deliver to Seller:
- (i) the Closing Date Payment evidenced by a promissory note made payable to Seller in the form attached hereto as <u>Exhibit D</u> (the "<u>Note</u>");
- (ii) the Membership Interest Assignment Agreement, duly executed by Purchaser;
  - (iii) the Loan Agreement, duly executed by Purchaser;
  - (iv) the Earn-out Agreement, duly executed by Purchaser;
- (v) an Employment & Non-compete Agreement, duly executed by Carl Ferrer; and
- (vi) a certificate of the Secretary (or equivalent officer) of Purchaser (A) certifying that attached to such certificate are true and complete copies of its (I) Constitutional Documents, as amended through an in effect on the Closing Date; and (II) resolutions of the General Partner or the Board of Purchaser, duly adopted and in effect, which authorizes the execution, delivery and performance of this Agreement and the transactions contemplated hereby; and (B) certifying as to the incumbency of the officer(s) of Purchaser executing this Agreement and the Ancillary Documents; and
- (vii) a certificate of good standing and existence, or equivalent, for Purchaser issued by the Netherlands; and
- (viii) such other documents, instruments or agreements necessary to effectuate the transactions contemplated by this Agreement.

#### ARTICLE II ADJUSTMENTS TO THE BASE PURCHASE PRICE

2.1. Closing Working Capital Statement. Within 30 days after the Closing Date, Purchaser shall prepare and deliver to Seller a statement (the "Closing Working Capital Statement") setting forth its calculation of the Working Capital of the Company as of the Closing Date (the "Closing Working Capital"). The Closing Working Capital Statement shall be prepared in accordance with GAAP using the same accounting methods, practices, principles, policies and procedures used by the Company to prepare its most recent financial statements. If the Closing Working Capital is a positive number, the principal balance of the Note shall be increased by an amount equal to the amount that the Closing Working Capital is positive and if the Closing Working Capital is a negative number, the principal balance of the Note shall be decreased by an amount equal to the amount that the Closing Working Capital is negative (the "Post-Closing Adjustment").

#### 2.2. Examination and Review.

- (a) Examination. After receipt of the Closing Working Capital Statement, Seller shall have 30 days ("Review Period") to review the Closing Working Capital Statement. During the Review Period, Seller and Seller's accountants shall have full access to the relevant books and records of Purchaser, the personnel of, and work papers prepared by, Purchaser and/or Purchaser's accountants to the extent that they relate to the Closing Working Capital Statement and to such historical financial information (to the extent in Purchaser's possession) relating to the Closing Working Capital Statement as Seller may reasonably request for the purpose of reviewing the Closing Working Capital Statement and to prepare a Statement of Objections (defined below); provided, that such access shall be in a manner that does not interfere with the normal business operations of Purchaser or the Company.
- (b) Objection. On or prior to the last day of such Review Period, Seller may object to the Closing Working Capital Statement by delivering to Purchaser a written statement setting forth Seller's objections in reasonable detail, indicating each disputed item or amount and the basis for Seller's disagreement therewith (the "Statement of Objections"). If Seller fails to deliver the Statement of Objections before the expiration of the Review Period, the Closing Working Capital Statement and the related Post-Closing Adjustments reflected in the Closing Working Capital Statement shall be deemed to have been accepted by Seller. If Seller delivers the Statement of Objections before the expiration of the Review Period, Purchaser and Seller shall negotiate in good faith to resolve such objections within thirty (30) days after the delivery of the Statement of Objections (the "Resolution Period"), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustment and the Closing Working Capital Statement with such changes that have been agreed in writing by Purchaser and Seller, shall be final and binding.
- (c) <u>Resolution of Disputes</u>. If Seller and Purchaser fail to reach an agreement with respect to all of the matters set forth in a Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute (the "<u>Disputed</u>"

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Amounts") shall be submitted for resolution to an independent accountant firm mutually agreed to by Seller and Purchaser (the "Independent Accountants") who, acting as experts and not arbitrators, shall resolve the Disputed Amounts only and make any adjustments to the Post-Closing Adjustment, as the case may be, and the Closing Working Capital Statement. The Parties agree that any such adjustments shall be made without regard to materiality. The Independent Accountants shall only decide the specific items under dispute by the Parties, and the Independent Accountants' decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Working Capital Statement and the Statement of Objections.

- (d) Fees of the Independent Accountants. Seller shall pay a portion of the fees and expenses of the Independent Accountants equal to 100% multiplied by a fraction, the numerator of which is the amount of Disputed Amounts submitted to the Independent Accountants that are resolved in favor of Purchaser (that being the difference between the Independent Accountants' determination and Seller's determination) and the denominator of which is the total amount of Disputed Amounts submitted to the Independent Accountants. Purchaser shall pay that portion of the fees and expenses of the Independent Accountants that Seller is not required to pay hereunder.
- (e) <u>Determination by Independent Accountants</u>. The Independent Accountants shall make a determination as soon as practicable within 30 days (or such other time as the Parties shall agree in writing) after their engagement, and the Independent Accountants' resolution of the Disputed Amounts and adjustments to the Closing Working Capital Statement and the Post-Closing Adjustment shall be conclusive and binding upon the Parties.
- 2.5 <u>Adjustments for Tax Purposes.</u> Any payments made pursuant to <u>Section 2.4</u> shall be treated as an adjustment to the Purchase Price by the Parties for Tax purposes, unless otherwise required by Law.

## ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER

Subject to and qualified by the matters disclosed in the disclosure letter dated the date of this Agreement and delivered herewith to Purchaser (the "Disclosure Letter") referencing the appropriate Section or subsection of this ARTICLE III, Seller hereby represents and warrants to Purchaser that the statements contained in this ARTICLE III are true and correct as of the date of this Agreement.

- 3.1. <u>Organization and Qualification of Seller</u>. Seller is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware. Seller has all requisite limited liability company power and authority to own, lease and operate its properties.
- 3.2. Organization and Qualification of the Company and the Company Subsidiaries. Each of the Company and the Company Subsidiaries is a limited liability company duly formed, validly existing and in good standing under the Laws of the State of Delaware. Each of the

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Company and the Company Subsidiaries has all requisite limited liability company power and authority to own, lease and operate its properties and to carry on the Business and is duly qualified to do business and is in good standing in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not reasonably be expected to have a Material Adverse Effect. Seller has made available to Purchaser a true and correct copy of each of the Company's and the Company Subsidiaries' Constitutional Documents, each as amended to date. The Company and the Company Subsidiaries are not in violation of their respective Constitutional Documents. Seller is the sole member of the Company and holds all of the Interests.

3.3. Authority. Each of Seller and the Company has the requisite limited liability company power and authority to execute and deliver this Agreement and the Ancillary Documents and to perform its obligations hereunder and thereunder. The execution, delivery and performance by each of Seller and the Company of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated to be performed by each of them under this Agreement and the Ancillary Documents have been duly authorized by the necessary limited liability company action on the part of Seller and the Company. This Agreement and the Ancillary Documents constitutes the legal, valid and binding obligations of each of Seller and the Company, enforceable against Seller and against the Company in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or affecting the enforcement of creditors' rights in general and by general principles of equity.

#### 3.4. Capitalization.

- (a) Seller is the record owner of and has good and valid title to the Interests, free and clear of all Liens. The Interests constitute 100% of the total issued and outstanding membership or ownership interests in the Company. The Interests have been duly authorized and are validly issued, fully-paid and non-assessable. Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all of the Interests free and clear of all Liens except for any Liens against the Interest pursuant to the Loan Agreement.
- (b) The Company owns directly or indirectly through a Company Subsidiary all of the Subsidiary Interests, free and clear of all Liens. The Subsidiary Interests constitute 100% of the total issued and outstanding membership or ownership interests in the Company Subsidiaries. The Subsidiary Interests have been duly authorized and are validly issued, fully-paid and non-assessable.
- (c) The Interests were issued in compliance with applicable Laws. The Interests were not issued in violation of the Company's Constitutional Documents or any other agreement, arrangement or commitment to which Seller, the Company or any of the Company Subsidiaries is a party and are not subject to or in violation of any preemptive or similar rights of any Person.
- (d) The Subsidiary Interests were issued in compliance with applicable Laws. The Subsidiary Interests were not issued in violation of the Company Subsidiaries'

Constitutional Documents or any other agreement, arrangement or commitment to which Seller, the Company or any of the Company Subsidiaries is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

- (e) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any membership or ownership interests in the Company or any of the Company Subsidiaries or obligating Seller, the Company or any of the Company Subsidiaries to issue or sell any membership interests (including the Interests and the Subsidiary Interests), or any other interest, in the Company or the Company Subsidiaries. Other than as set forth in the Company's and the Company Subsidiaries' Constitutional Documents, there are no voting trusts, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Interests or the Subsidiary Interests.
- 3.5. <u>Holding Companies</u>. Dartmoor has no assets, property or rights, tangible or intangible, and no liabilities, obligations or commitments, except for the membership interests of Website Technologies, IC Holdings and Posting Solutions, which are wholly owned Subsidiaries of Dartmoor. IC Holdings has no assets, property or rights, tangible or intangible, and no liabilities, obligations or commitments, except for the membership interests of Backpage, which is a wholly owned Subsidiary of IC Holdings. Posting Solutions has no assets, property or rights, tangible or intangible, and no liabilities, obligations or commitments, except for the membership interests of Postfaster, which is a wholly owned Subsidiary of Posting Solutions.
- No Conflict; Consents. Except for the Consents listed in Section 3.6 of the Disclosure Letter, the execution, delivery and performance by each of Seller and the Company of this Agreement and the Ancillary Documents and the consummation by each of Seller and the Company of the transactions contemplated hereby and thereby does not, with or without the giving of notice or the lapse of time or both, (i) result in the creation of any Lien upon the Interests, the Subsidiary Interests or any of the properties or assets of the Company, the Company Subsidiaries or the Business, (ii) conflict with the Company's or any of the Company Subsidiaries' Constitutional Documents, each as amended to date, (iii) conflict with, or result in a violation of any Law to which the Company, the Company Subsidiaries or the Business or any of the Company's, the Company Subsidiaries' or the Business' properties or assets are subject, or (iv) require the Consent of any Person under, conflict with, result in a material violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of, or create in any party the right to accelerate, terminate, modify or cancel any, material Contract to which Seller, the Company or any of the Company Subsidiaries is a party or by which Seller, the Company or any of the Company Subsidiaries is bound or to which any of their respective properties and assets are subject, or any License affecting the Business or the assets or properties of the Company or any of the Company Subsidiaries. Section 3.6 of the Disclosure Letter lists each Consent required by any Governmental Entity in connection with the execution and delivery of this Agreement and the Ancillary Documents or the consummation of the transactions contemplated hereby or thereby, except for (i) notices and filings required under the HSR Act, (ii) matters arising out of or related to the identity, acts or omissions of Purchaser and its Affiliates, and (iii) any filings that are required under any applicable federal or state securities Laws.

- 3.7. <u>Brokers' and Finders' Fees.</u> No investment banker, broker, finder or other intermediary is entitled to any fee or commission in connection with the transactions contemplated by this Agreement or the Ancillary Documents based on arrangements made on behalf of Seller or any of its Affiliates for which Purchaser or any of its Affiliates will have any liability or obligation.
  - 3.8. Taxes. Except as set forth in Section 3.9 of the Disclosure Letter:
  - (a) all material Tax Returns required to be filed by the Company and the Company Subsidiaries have been timely filed (taking into account all valid extensions) and all material Taxes due and owing by Company and the Company Subsidiaries, whether or not shown on any Tax Return, have been paid. All such Tax Returns are true, complete and correct in all material respects. Neither the Company nor any Company Subsidiary is currently the beneficiary of any extension of time within which to file any material Tax Return other than extensions of time to file Tax Returns obtained in the ordinary course of business.
  - (b) All Taxes required to be withheld or collected by the Company or any Company Subsidiary from amounts owing or paid to any employees, shareholders, members, creditors or other third parties have been duly withheld or collected and have been paid over to the applicable Taxing authority.
  - (c) No extensions or waivers of statute of limitations have been given or requested with respect to any material Taxes of the Company or any Company Subsidiary. There are no ongoing actions, suits, claims, investigations, audits or other legal proceedings by any Taxing authority against the Company or any Company Subsidiary.
  - (d) There are no Tax Liens upon any assets or property of the Company or the Company Subsidiaries except for Liens for current Taxes not yet due and payable.
  - (e) Each of the Company and the Company Subsidiaries is currently treated as a disregarded entity for federal income tax purposes.
  - (f) The Company and the Company Subsidiaries are not and have never been a party to any tax-sharing agreement with any person.
- 3.9. Ownership of Assets. Each of the Company and the Company Subsidiaries is the owner of and has good and marketable title to all of its respective assets, free and clear of all Liens other than Permitted Liens.
- 3.10. <u>No Undisclosed Liabilities</u>. Except for Current Liabilities, the Company and the Company Subsidiaries do not have any liabilities of any kind whatsoever, whether or not known, accrued, contingent, absolute or otherwise in excess of \$100,000.
- 3.11. No Other Representations. Except for the representations and warranties made in this <u>ARTICLE III</u>, neither Seller nor any other Person (including the Company or any director,

officer, manager, employee, Affiliate, advisor, agent or other representative of Seller or the Company) makes or has made to Purchaser or any other Person any representation or warranty, express or implied, relating or with respect to this Agreement, the transactions contemplated thereby, Seller, the Company, the Company Subsidiaries or their businesses, operations, properties, and liabilities or obligations, whether arising by statute or otherwise in Law, including any implied warranty of merchantability, fitness for a particular purpose or otherwise.

# ARTICLE IV REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Seller as of the date of this Agreement as follows:

- 4.1. Organization of Purchaser. Purchaser is a Dutch limited partnership duly organized, validly existing and in good standing under the Laws of the Netherlands. Purchaser has all requisite power and authority to own its properties and to carry on its business as now being conducted and is duly qualified to do business and is in good standing in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not reasonably be expected to have a material adverse effect on the ability of Purchaser to perform its obligations under this Agreement and the Ancillary Documents or to consummate the transactions contemplated hereby or thereby in a timely manner.
- 4.2. <u>Authority</u>. Purchaser has all requisite power and authority to execute and deliver this Agreement and the Ancillary Documents and to perform all of its obligations hereunder and thereunder. The execution, delivery and performance by Purchaser of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated to be performed by it under this Agreement and the Ancillary Documents have been duly authorized by all necessary and proper action on its part. This Agreement and the Ancillary Documents constitute the legal, valid and binding obligations of Purchaser, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or affecting the enforcement of creditors' rights in general and by general principles of equity.
- 4.3. No Conflict: Consents. The execution, delivery or performance by Purchaser of this Agreement and the Ancillary Documents and the consummation by Purchaser of the transactions contemplated hereby and thereby does not and will not, with or without the giving of notice or the lapse of time or both, (i) conflict with Purchaser's Constitutional Documents, each as amended to date, or (ii) conflict with, or result in a breach or violation of or a default under any material Contract of Purchaser or any Law, License or other requirement to which Purchaser or any of its properties or assets are subject. No consent, waiver, approval, order or authorization of, or registration, declaration or filing with, or notice to any Governmental Entity or other Person is required by, or with respect to, Purchaser in connection with the execution and delivery of this Agreement and the Ancillary Documents or the consummation of the transactions contemplated hereby or thereby, except for (i) notices and filings as may be required under the HSR Act, (ii) matters arising out of or related to the identity, acts or omissions of Seller and its

Affiliates and (iii) any filings that are required under any applicable federal or state securities Laws.

- 4.4. <u>No Legal Actions</u>. There is no Legal Action pending or, to the knowledge of Purchaser, threatened, against or affecting Purchaser or any of its properties or assets that could reasonably be expected to have a material adverse effect on the ability of Purchaser to perform its obligations under this Agreement or the Ancillary Documents or to consummate the transactions contemplated hereby or thereby in a timely manner.
- 4.5. <u>Investigation by Purchaser</u>. Purchaser has conducted its own independent investigation, review and analysis of the business, operations, assets, liabilities, results of operations, financial condition, technology and prospects of the business and operations of the Company, the Company Subsidiaries and the Business, which investigation, review and analysis was done by Purchaser and, to the extent Purchaser deemed appropriate, by its representatives and advisors. Purchaser acknowledges that Carl Ferrer, an Affiliate of Purchaser, has been the Chief Executive Officer of the Business for several years and has intimate knowledge of the Business, the Company and the Company Subsidiaries' assets, liabilities, operations and personnel. In entering into this Agreement, Purchaser acknowledges that it has relied solely upon the aforementioned investigation, review and analysis and not on any factual representations of Seller, the Company, or their respective Affiliates, except the specific representations and warranties set forth in ARTICLE III.
- 4.6. <u>Brokers' and Finders' Fees.</u> No investment banker, broker, finder or other intermediary is entitled to any fee or commission in connection with the transactions contemplated by this Agreement or the Ancillary Documents based on arrangements made on behalf of Purchaser or any of its Affiliates for which Seller or any of its Subsidiaries, Affiliates, or the Company will have any liability or obligation.
- 4.7. <u>Solvency</u>. Immediately after giving effect to the Closing, the Company and the Company Subsidiaries (i) will be able to pay their debts (including a reasonable estimate of the amount of all contingent liabilities) as they become due and payable, (ii) will own property and other assets that have a fair salable value equal to or greater than the amounts required to pay their debts (including a reasonable amount of all contingent liabilities), and (iii) will have adequate capital to carry on their business. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated by this Agreement with the intent to hinder, delay or defraud current creditors of Purchaser, the Company or the Company Subsidiaries.
- 4.8. <u>No Other Representations</u>. Except for the representations and warranties contained in this <u>ARTICLE IV</u>, neither Purchaser nor any other Person acting on its behalf makes or has made any representation or warranty, express or implied. Purchaser has not made any representation or warranty, expressed or implied, as to the accuracy or completeness of any information regarding Purchaser or otherwise, other than those representations and warranties expressly made in this <u>ARTICLE IV</u>.

#### ARTICLE V COVENANTS

- Purchaser shall not, for a period of at least six (6) Preservation of Records. years following the Closing Date, destroy or cause to be destroyed, or permit the Company or the Company Subsidiaries to destroy or cause to be destroyed, any material books or records relating to the pre-Closing financial operations (i.e. all accounting records such as, accounts payable records, banking records, journal entries etc., balance sheet, income statement, general ledger, etc.) of the Company, the Company Subsidiaries or the Business without first obtaining the consent of Seller which consent shall not be unreasonably withheld, delayed or conditioned (or providing to Seller notice of such intent and a reasonable opportunity to copy such books or records, at its expense, at least thirty (30) days prior to such destruction). In addition, following the Closing and until the Note is paid in full, Purchaser and the Company shall maintain all other records of the Company, the Company Subsidiaries and the Business, including customer information, in accordance with the Company's record retention policy that was in place as of the Closing Date and Purchaser shall make no changes or amendments to the record retention policy without the prior written consent of Seller, which consent shall not be unreasonably withheld, delayed or conditioned.
- 5.2. Transfer Taxes. Any and all transfer, documentary, sales, use, stamp, registration and other Taxes and fees payable in connection with the consummation of the transactions contemplated by this Agreement shall be paid by Purchaser when due, and Purchaser shall, at its own expense, file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and Seller shall cooperate as and to the extent reasonably requested by Purchaser in the preparation and execution of any such Tax Returns and documentation.
- 5.3. <u>Further Assurances</u>. Following the Closing, each of the Parties shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the Ancillary Documents.
- 5.4. Confidentiality. From and after the Closing, Seller and Purchaser shall, and shall cause their respective Affiliates to, hold, and shall use their reasonable best efforts to cause their respective Representatives to hold, in confidence the terms of this Agreement and the transactions related hereto. If a Party or any of its Affiliates or its Representatives are compelled to disclose any information related to the terms of this Agreement or the transactions related hereto by judicial or administrative process (including by subpoena) or by other requirements of Law, such Party shall promptly notify the other Party in writing and shall disclose only that portion of such information which the Party is advised by its counsel in writing is legally required to be disclosed; provided, that such disclosing Party shall use reasonable best efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.
  - 5.5. <u>Director and Officer Indemnification and Insurance.</u>

- (a) Purchaser agrees that all rights to indemnification, advancement of expenses and exculpation by the Company or the Company Subsidiaries now existing in favor of each Person who is now, or has been at any time prior to the Closing Date, an officer, director or manager of the Company, as provided in the Constitutional Documents of the Company or any Company Subsidiary, in each case as in effect on the Closing Date, or pursuant to any other agreements in effect on the Closing Date, shall survive the Closing Date and shall continue in full force and effect in accordance with their respective terms.
- (b) The Company shall, and Purchaser shall cause the Company, to (i) maintain in effect for a period of six (6) years after the Closing Date, if available, the current policies of directors' and officers' liability insurance maintained by the Company immediately prior to the Closing Date (provided that the Company may substitute therefor policies, of at least the same coverage and amounts and containing terms and conditions that are not less advantageous to the directors, officers and managers of the Company when compared to the insurance maintained by the Company as of the date hereof), or (ii) obtain as of the Closing Date "tail" insurance policies with a claims period of six (6) years from the Closing Date with at least the same coverage and amounts, and containing terms and conditions that are not less advantageous to the directors and officers of the Company, in each case with respect to claims arising out of or relating to events which occurred on or prior to the Closing Date (including in connection with the transactions contemplated by this Agreement).
- (c) The obligations of Purchaser and the Company under this <u>Section 5.5</u> shall not be terminated or modified in such a manner as to adversely affect any director, officer or manager to whom this <u>Section 5.5</u> applies without the consent of such affected director, officer or manager (it being expressly agreed that the directors, officers and managers to whom this <u>Section 5.5</u> applies shall be third-party beneficiaries of this <u>Section 5.5</u>, each of whom may enforce the provisions of this <u>Section 5.5</u>).
- (d) In the event Purchaser, the Company or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity in such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in either such case, proper provision shall be made so that the successors and assigns of Purchaser or the Company, as the case may be, shall assume all of the obligations set forth in this Section 5.5.

#### 5.6. Tax Covenants.

(a) Without the prior written consent of Seller, Purchaser, Company and the Company Subsidiaries shall not, to the extent it may affect, or relate to, the Business, make, change or rescind any Tax election, amend any Tax Return, or take any position on any Tax Return that would have the effect of increasing the Tax liability or reducing any

Tax asset of the Company (after the Closing Date) in respect of any Pre-Closing Tax Period.

- (b) In the case of any taxable period that includes (but does not end on) the Closing Date (a "Straddle Period"), the amount of any Taxes based on or measured by income or receipts of the Business for the Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the close of business on the Closing Date and the amount of any Taxes of the Business for a Straddle Period that relates to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire Straddle Period multiplied by a fraction the numerator of which is the number of days in the portion of the Straddle Period ending on the Closing Date and the denominator of which is the number of days in the entire Straddle Period.
- (c) Seller shall, at its expense, prepare and timely file, or cause to be prepared and timely filed, all Tax Returns relating to, and pay all Taxes levied or imposed on, the Business for any Pre-Closing Tax Period. Purchaser shall, at its expense, prepare and timely file, or cause to be prepared and timely filed, all Tax Returns relating to, and pay all Taxes levied or imposed on, the Business for any Straddle Period, provided that all such Tax Returns shall be provided to Seller for review and approval at least fifteen (15) Business Days prior to filing and Seller shall pay Purchaser for the portion of such Taxes deemed to relate to a Pre-Closing Tax Period pursuant to Section 5.6(b) at least two (2) Business Days prior to Purchaser filing the Tax Return.
- (d) Seller and Purchaser shall cooperate, as and to the extent reasonably requested by the other Party, in connection with the filing of Tax Returns pursuant to this Section 5.6 and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other Party's request) the provision of records and information that are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Seller shall control any such any audit, litigation or other proceeding with respect to Pre-Closing Tax Periods, and Purchaser shall control any such any audit, litigation or other proceeding with respect to Post-Closing Tax Periods. The prior written consent of Seller shall be required prior to the concession of any issue (or decision to no longer appeal or litigate such issue) arising in any audit, litigation or other proceeding with respect to a Post-Closing Tax Period to the extent that resolution of such issue could or is reasonably expected to have the effect of increasing the Tax liability or reducing any Tax asset of the Company (after the Closing Date) in respect of any Pre-Closing Tax Period.
- (e) Any refunds or credits of Taxes of the Company or any Company Subsidiary plus any interest received with respect thereto (net of any Taxes imposed on such interest) from the applicable Taxing authority for any Pre-Closing Tax Period and the Pre-Closing Straddle Period (excluding refunds or credits arising by reason of the carryback of any items attributable to any period or portion thereof beginning after the Closing Date) received within three (3) years of the payment of the Tax shall be for the account of Seller and shall be paid by the Purchaser to Seller within ten (10) Business Days after Purchaser, the Company or any Company Subsidiary receives such refund or

after the relevant Tax Return is filed in which a credit is applied against Purchaser's, the Company's, any Company Subsidiary's or any of their successor's liability for Taxes. For purposes of this Section 5.6(e), where it is necessary to apportion any such refund, credit or reduction between Purchaser and Seller for a Straddle Period, such refund, credit or reduction shall be apportioned in the same manner that a comparable or similar Tax liability would be apportioned pursuant to Section 5.6(b). If any refunds or credits or any related interest previously paid to Seller pursuant to this Section 5.6(e) is required to be repaid to a Taxing authority or is subsequently disallowed by a Taxing authority, Seller shall be required to repay to Purchaser such previously paid amounts within three (3) Business Days prior to the due date for such Tax.

- (f) All Tax-sharing agreements or similar agreements with respect to or involving the Company or any Company Subsidiary shall be terminated as of the Closing Date and, after the Closing Date, neither the Company nor any Company Subsidiary shall be bound thereby or have any liability thereunder.
- (g) The Parties shall treat the sale of the Interests by Seller as contemplated by this Agreement as a sale of assets owned by the Company and each Company Subsidiary for U.S. income Tax purposes as of the Closing Date. Within forty-five days after the Closing Date, Seller shall prepare in consultation with Purchaser and deliver to Purchaser an allocation of the Purchase Price (and any other relevant items) among such assets for U.S. income Tax purposes. The Parties agree to file all Tax Returns in accordance with such treatment and consistent with the purchase price allocation pursuant to this Section 5.6(g) and shall not take any position inconsistent therewith, except as required by Law.
- 5.7. Release of Guarantees and other Obligations. Within 120 days after the Closing Date, Seller, Purchaser and the Company and their Affiliates shall cause Seller and its Affiliates (other than the Company and the Company Subsidiaries) and any members, managers, principals or officers of Seller or its Affiliates to be released from any guarantees or other obligations arising under any Contracts related to the Business to which the Company, the Company Subsidiaries or any member, manager, principal or officer of Seller or its Affiliates is a party. Purchaser shall indemnify and hold Seller or its Affiliates harmless from any losses resulting from any guarantees.

#### ARTICLE VI INDEMNIFICATION

#### 6.1. Survival of Representations and Warranties.

(a) The representations and warranties of Seller contained in this Agreement shall survive the Closing and shall remain in full force and effect until the date that is twelve (12) months from the Closing Date; provided, however, (i) the representations and warranties of Seller contained in Sections 3.1, 3.2, 3.3, 3.4, and 3.7 (collectively, the "Seller's Fundamental Representations") shall survive for five (5) years following the Closing Date, and (ii) the representations and warranties of Seller contained in Section 3.8 shall survive until the expiration of the applicable statute of limitations. None of the covenants or other agreements contained in this Agreement shall survive the Closing Date other than those which by their terms contemplate

performance after the Closing Date, and each such surviving covenant and agreement shall survive the Closing for the period contemplated by its terms. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from and Indemnified Party to the Seller prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of such survival period and such claims shall survive until finally resolved.

(b) The representations and warranties of Purchaser contained in this Agreement shall survive the Closing and shall remain in full force and effect until the date that is twelve (12) months from the Closing Date; provided, however, that the representations and warranties in Sections 4.1, 4.2, 4.5 and 4.6 (the "Purchaser's Fundamental Representations") shall survive for five (5) years following the Closing Date. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from and Indemnified Party to the Purchaser prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of such survival period and such claims shall survive until finally resolved.

#### 6.2. <u>Indemnification</u>.

- (a) Subject to the other provisions of this <u>ARTICLE VI</u>, after the Closing Seller shall indemnify, defend and hold harmless Purchaser and its Affiliates (including the Company) and their respective Representatives (collectively, the "<u>Purchaser Indemnitees</u>") against any Losses incurred or suffered by a Purchaser Indemnitee as a result of, with respect to, or in connection with:
- (i) any breach of any representation or warranty of Seller set forth in this Agreement or any of the Ancillary Documents;
- (ii) any failure by Seller to fully perform, fulfill or comply with any covenant set forth in this Agreement or any of the Ancillary Documents to be performed, fulfilled or complied with by Seller; and
  - (iii) any fraud or intentional misrepresentations by Seller.
- (b) Subject to the indemnification obligations of Purchaser under Section 5.7 and the other provisions of this ARTICLE VI, after the Closing Purchaser and the Company shall indemnify, defend and hold harmless Seller and its Affiliates and their respective Representatives (collectively, the "Seller Indemnitees") against any and all Losses incurred or suffered by a Seller Indemnitee as a result of, with respect to, or in connection with:
- (i) any breach of any representation or warranty of Purchaser set forth in this Agreement or any of the Ancillary Documents;
- (ii) any failure by Purchaser to fully perform, fulfill or comply with any covenant set forth in this Agreement or any of the Ancillary Documents to be performed, fulfilled or complied with by Purchaser;

- (iii) subject to <u>Section 6.2(a)(i)</u>, the conduct, ownership, use, condition, possession or operation of the Business, the Company and the Company Subsidiaries on, prior to, or after the Closing Date;
- (iv) any Legal Action that (a) the Company or any Company Subsidiary is subject to as of the Closing Date, and/or (b) the Seller, any Seller Affiliate, any Seller Representative, or any Seller Affiliate Representative is a party to relating to the Business on or after the Closing Date; and
  - (v) any fraud or intentional misrepresentations by Purchaser.
- (c) For purposes of this <u>ARTICLE VI</u>, if any representation or warranty of a Party contained in this Agreement, is qualified in any respect by materiality, in all material respects, Material Adverse Effect or words of like import, such materiality, in all material respects, or Material Adverse Effect qualifiers or other qualifiers of like import shall be ignored in determining whether a breach of any representation or warranty has occurred and in determining the amount of any resulting Loss.

#### 6.3. Limitations.

- (a) The indemnification obligations of Seller to the Purchaser Indemnitees for (i) a breach of a representation and warranty that is not a Seller's Fundamental Representation under Section 6.2(a)(i) shall not exceed \$2,500,000, and (ii) a breach of a representation and warranty under Section 6.2(a)(i) that is a Seller's Fundamental Representation shall not exceed \$\$8,750,000. Notwithstanding the foregoing, the indemnification obligations of Seller to the Purchaser Indemnitees for any fraudulent or intentional misrepresentations shall not be subject to any dollar amount limitations.
- (b) No claims may be made by the Purchaser Indemnitees for indemnification pursuant to Section 6.2(a)(i) unless and until the aggregate amount of Losses for which the Purchaser Indemnitees are entitled to seek to be indemnified pursuant to Section 6.2(a)(i) exceeds \$250,000, at which time Purchaser shall be entitled to indemnification for all such Losses that exceed \$250,000; provided, however, that the limitations set forth in this Section 6.3(b) shall not apply to any claim brought for breach of (i) any Seller's Fundamental Representation, or (ii) any fraudulent or intentional misrepresentations.
- (c) The indemnification obligations of Purchaser to the Seller Indemnitees for (i) a breach of a representation and warranty that is not a Purchaser's Fundamental Representation under Section 6.2(a)(i) shall not exceed \$2,500,000, and (ii) a breach of a representation and warranty under Section 6.2(b)(i) that is a Purchaser's Fundamental Representation shall not exceed \$8,750,000. Notwithstanding the foregoing, the indemnification obligations of Purchaser to the Seller Indemnitees for any fraudulent or intentional misrepresentations shall not be subject to any dollar amount limitations.
- (d) No claims may be made by the Seller Indemnitees for indenuification pursuant to Section 6.2(b)(i) unless and until the aggregate amount of Losses for which the Seller Indemnitees are entitled to seek to be indemnified pursuant to Section 6.2(b)(i) exceeds \$250,000, at which time the Seller Indemnities shall be entitled to indemnification for all such

Losses in excess of \$250,000; provided however, that the limitation set forth in this <u>Section 6.3(d)</u> shall not apply to any claim brought for breach of (i) any Purchaser's Fundamental Representation, or (ii) any fraudulent or intentional misrepresentations.

- (e) Notwithstanding the fact that any Indemnified Party may have the right to assert claims for indemnification under or in respect of more than one provision of this Agreement in respect of any fact, event, condition or circumstance, no Indemnified Party shall be entitled to recover the amount of any Losses suffered by such Indemnified Party more than once, regardless of whether such Losses may be as a result of a breach of more than one representation, warranty or covenant.
- (f) Except with respect to actions indemnified pursuant to Section 6.2(b)(iii) and (iv), no Party shall be entitled to be indemnified hereunder for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple, except to the extent that a Party is required to indemnify a third party for such damages.
- (g) Any payment due and owing from Seller pursuant to <u>Section 6.2(a)</u> shall first be paid by a set-off against the most current amounts owed to Seller or its Affiliate under the Note.
- (h) Except as provided in subsection (g) above, no Party shall have any right to set-off any amount to which it claims to be entitled from any other Party, including any amounts that may be owed under this <u>ARTICLE VI</u> or otherwise, against amounts otherwise payable under any provision of this Agreement,

#### 6.4. Procedures.

If any Party believes at any time that it is entitled to be indemnified under this Agreement, such Party (the "Indemnified Party") shall promptly deliver to (i) Seller, in the case of claims for indemnification being asserted by or on behalf of a Purchaser Indemnitec, and (ii) Purchaser, in the case of claims for indemnification being asserted by or on behalf of a Seller Indemnitee, a certificate (a "Claim Certificate") that (x) states that the Indemnified Party has paid or properly incurred Losses and the amount thereof, or reasonably anticipates that it may or will incur Losses, for which such Indemnified Party is entitled to indemnification under this Agreement, and the estimated amount thereof, and (y) specifies in reasonable detail, to the extent practicable, each individual item of Loss included in the amount so stated, the date (if any) such item was paid or properly incurred the basis for any anticipated liability and the nature of the misrepresentation, default, breach of warranty or breach of covenant or claim to which each such item is related and, to the extent computable, the computation of the amount to which such Indemnified Party claims to be entitled hereunder; provided, however, that no delay on the part of the Indemnified Party in delivering a Claim Certificate shall diminish the rights of the Indemnified Party to be indemnified hereunder except to the extent that the delay shall increase the amount of such claim or Loss or the expenses incurred in connection therewith, and then only to such extent.

- (b) If Seller, in the case of indemnification claims by a Purchaser Indemnitee, or Purchaser, in the case of indemnification claims by a Seller Indemnitee (in either case, the "Responding Party"), objects to a claim of an Indemnified Party in respect of any claim or claims specified in any Claim Certificate, the Responding Party shall deliver a written notice to such effect to the Indemnified Party within thirty (30) days after receipt of the Claim Certificate by the Responding Party. Thereafter, the Responding Party and the Indemnified Party shall attempt in good faith to agree upon their respective rights within thirty (30) days after receipt by the Indemnified Party of such written objection with respect to each of such claims to which the Responding Party has objected. If the Indemnified Party and the Responding Party agree with respect to any of such claims, the Indemnified Party and the Responding Party shall promptly prepare and sign a memorandum setting forth such agreement. Should the Indemnified Party and the Responding Party fail to agree as to any particular item or items or amount or amounts, then the Indemnified Party shall be entitled to pursue its available remedies for resolving the claim for indemnification.
- If a claim for indemnification hereunder is based on, or results from, a claim by a third party for which a Purchaser Indemnitee or a Seller Indemnitee would be entitled to indemnification hereunder (a "Third-Party Claim"), the Responding Party may elect to assume and control the defense of such Third-Party Claim with counsel selected by the Responding Party and reasonably acceptable to the Indemnified Party by providing written notice thereof to the Indemnified Party within thirty (30) days after the receipt of notice of the related Claim Certificate from the Indemnified Party; provided, that if the Note remains outstanding at the time a Seller Indennitee makes an indemnification claim against Purchaser related to a Third Party Claim, the Seller Indemnitee shall have the right in its sole discretion to approve the counsel selected by the Purchaser to handle the Third Party Claim. If the Responding Party assumes such defense, the Indemnified Party shall have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Responding Party, it being understood that the Responding Party shall control such defense; provided, however, that any legal expenses subsequently incurred by the Indemnified Party in connection with the defense of such Third-Party Claim shall not constitute Losses hereunder unless, in the reasonable opinion of counsel to the Indemnified Party, (i) there are legal defenses available to an Indemnified Party that may not be used by the Indemnifying Party in controlling such defense, or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, in which case the Indemnifying Party shall be liable for the reasonable fees and expenses of one counsel to the Indemnified Party. If the Responding Party does not assume the defense of any Third-Party Claim or, upon petition by the Indemnified Party, the appropriate court rules that the Responding Party failed or is failing to vigorously defend such Third-Party Claim, the Indemnified Party may assume the defense of such claim and any legal expenses subsequently incurred by the Indemnified Party in connection with such defense shall constitute Losses hereunder; provided, however, that in any such event, the Responding Party may participate in, but not control, the defense of such Third-Party Claim at the Responding Party's sole cost and expense. If the Responding Party assumes the defense of any Third-Party Claim, the Indemnified Party shall reasonably cooperate with the Responding Party in such defense. Such cooperation shall include (i) the retention of, and provision to the Responding Party and its counsel of, any records or other information in the possession or control of the Indemnified Party which may be relevant to such Third-Party Claim and (ii) making employees of the Indemnified Party and its Affiliates available to provide additional

information and explanation of any material provided hereunder and, if necessary, to testify in connection with any related Legal Action, all at the cost and expense of the Responding Party.

- The Responding Party shall not admit any liability with respect to, or settle, compromise or discharge, any Third-Party Claim without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld or delayed), and the Indemnified Party shall consent to any settlement, compromise or discharge of a Third-Party Claim which the Responding Party may recommend which by its terms unconditionally releases the Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and does not impose any obligation or restriction upon the Indemnified Party; provided, that if Seller is the Party seeking indemnification from Purchaser and the proposed settlement, compromise and/or discharge by Purchaser jeopardizes in any way the ability of Purchaser and its Affiliates to pay the Loan and Note pursuant to their terms, Seller shall have the sole right to reject and not approve any such settlement, compromise and/or discharge. The Responding Party shall not, without the written consent of the Indemnified Party, enter into any settlement, compromise or discharge or consent to the entry of any Judgment which imposes any obligation or restriction on the Indemnified Party or any of its Affiliates or does not include as an unconditional term thereof the giving by each claimant or plaintiff to such Indemnified Party and its Affiliates of an unconditional release from all liability with respect to such Third-Party Claim.
- 6.5. Recoveries. Each Indemnified Party shall, with respect to any Losses, use its commercially reasonable efforts to obtain recovery from applicable insurance policies and from third parties pursuant to indemnification (or otherwise) with respect thereto. Any amount payable under this ARTICLE VI by the Responding Party shall be net of any amounts that the Indemnified Party actually recovers (i) under applicable insurance policies, net of any reasonable and documented costs and expenses incurred in the collection of same, or (ii) from third parties pursuant to indemnification or otherwise, in each case with respect to such Losses, provided that any cash Tax benefit realized by an Indemnified Party shall be specifically excluded.
- 6.6. Exclusive Remedy. Except (i) for claims for injunctive and other equitable relief, (ii) for claims based on willful misconduct or fraud, and (iii) claims related to a breach or default under the Loan Agreement and related documents, the sole and exclusive remedy of any Indemnified Party for money damages for any matters relating to this Agreement or the consummation of the transactions contemplated hereby shall be the rights to indemnification set forth in this ARTICLE VI. No Representative of Seller or its Affiliates shall have any liability under or with respect to this Agreement.
- 6.7. <u>Treatment of Indemnification Payments</u>. Any indemnification payments pursuant to this <u>ARTICLE VI</u> shall be treated by all Parties and their Affiliates as an adjustment to the Purchase Price for all Tax purposes and no Party shall, or shall permit any of its Affiliates to, take any position contrary to such treatment unless otherwise required by applicable Tax Law.

#### ARTICLE VII DEFINITIONS; CONSTRUCTION

7.1. <u>Definitions</u>. For the purposes of this Agreement:

"Affiliate" means, with respect to the Person to which it refers, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, such Person. For the purpose of this definition, the term "control" of a Person means the power to direct, or cause the direction of, the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms and phrases "controlling," "controlled by" and "under common control" have correlative meanings.

"Agreement" is defined in the Preamble.

"Ancillary Documents" means the Earn-out Agreement, the Membership Interest Assignment Agreement, the Loan Agreement, the Loan Documents, the Note and the Employment & Non-compete Agreement.

"Backpage" is defined in Section 1.4.

"Base Purchase Price" is defined in Section 1.2.

"Business" is defined in Recital A.

"Business Day" means any day of the year on which national banking institutions in the State of New York are open to the public for conducting business and are not required to close.

"Claim Certificate" is defined in Section 6.4(a).

"Closing" is defined in Section 1.3.

"Closing Date" is defined in Section 1.3.

"Closing Date Payment" is defined in Section 1.2.

"Closing Working Capital" is defined in Section 2.1.

"Closing Working Capital Statement" is defined in Section 2.1.

"Company" is defined in the Preamble.

"Company Subsidiaries" is defined in Section 1.4.

"Consent" means any consent, approval, waiver, filing, authorization or notice.

"Constitutional Documents" means, as to any Person, the constitutional or organizational documents of such Person, including any charter, certificate or articles of incorporation, certificate of formation, articles of association, bylaws, trust instrument, partnership agreement, limited liability company agreement or similar document.

"Contract" means any written or oral agreement, contract, mortgage, indenture, lease, license, instrument, document, obligation or commitment that is legally binding, including all

amendments, modifications and supplements thereto, <u>provided</u>, <u>however</u>, that the term Contract does not include purchase orders entered into in the ordinary course of business.

"Current Assets" means the Retained Cash and cash equivalents, current accounts receivable, inventory, prepaid expenses, and other current assets, but excluding (a) the portion of any prepaid expense of which Purchaser will not receive the benefit following the Closing and (b) deferred Tax asset, determined in accordance with GAAP applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Financial Statements of the Company for the most recent fiscal year end as if such accounts were being prepared as of a fiscal year end.

"Current Liabilities" means accounts payable, accrued Taxes, accrued expenses, and other current liabilities, but excluding any deferred Tax liabilities and the current portion of long term debt, determined in accordance with GAAP applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Financial Statements of the Company for the most recent fiscal year end as if such accounts were being prepared as of a fiscal year end.

"Disclosure Letter" is defined in the preamble to ARTICLE III.

"Disputed Amounts" is defined in Section 2.2(c).

"Earn-out Agreement" is defined in Section 1.7.

"Fundamental Representations" is defined in Section 6.1(a).

"GAAP" means generally accepted accounting principles in the United States as in effect on the date of this Agreement.

"Governmental Entity" means any court, administrative agency or commission or other federal, state, county, local or foreign governmental entity, instrumentality, agency or commission.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"IC Holdings" is defined in Section 1.4.

"Indemnified Party" is defined in Section 6.4(a).

"Independent Accountants" is defined in Section 2.2(c).

"Interests" is defined in Recital B.

"<u>Judgment</u>" means, with respect to any Person, any final non-appealable order, injunction, judgment, stipulation, award, decision, decree, verdict, ruling or other similar

requirement enacted, adopted, entered, issued, made, rendered, promulgated or applied by a Governmental Entity or arbitrator that is binding upon or applicable to such Person.

"Law" means any federal, state, foreign or local law, statute, ordinance, rule, order, regulation, writ, injunction, directive, Judgment, treaty, decree or administrative or judicial decision.

"Legal Action" means any claim, demand, action, suit or proceeding of any nature, civil, criminal, administrative, regulatory or otherwise, in Law or in equity, by or before any court, tribunal, arbitrator or other Governmental Entity.

"Lien" means any lien, pledge, mortgage, deed of trust, security interest, claim, proxy, voting trust or agreement, transfer restriction under any stockholder or similar agreement, mortgage, easement, encroachment, right of way, or encumbrance of any nature whatsoever.

"Loan" means the principal advance of \$525,700,000 made by Seller to Purchaser pursuant to the Loan Agreement and as further evidenced by the Note.

"Loan Agreement" is defined in Section 1.8(a)(iv).

"Loan Documents" means any document or agreement executed in connection with the Loan Agreement other than the Note.

"Losses" means, without duplication for purposes of recovery, losses, liabilities, damages, penalties, costs and expenses, including reasonable attorneys' fees and expenses, expenses of investigation and defense, and the cost of enforcing any right to indemnification under this Agreement.

"Material Adverse Effect" means any result, occurrence, fact, change, event or effect that has or would reasonably be expected to have a material adverse effect on the business, assets, liabilities, operations or financial condition of the Company.

"Membership Interest Assignment Agreement" is defined in Section 1.8(a)(i).

"Note" is defined in Section 1.8(b)(i).

"Parties" means Purchaser, Seller and the Company, and "Party" means any of the Parties.

"Permitted Liens" means, with respect to any Person, Liens for (i) Taxes, assessments and other governmental charges, if such Taxes, assessments or charges are not due and payable or the Person is contesting them in good faith and has established adequate reserves for them, (ii) workmen's, repairmen's or other similar Liens incurred in the ordinary course of business in respect of obligations which are not overdue, (iii) minor title defects and recorded easements which do not, individually or in the aggregate, impair the continued use, occupancy, value or marketability of title of the property to which they relate, assuming that the property is used on substantially the same basis as such property is currently being used in the conduct of the Business, (iv) pledges or deposits made in the ordinary course of business in connection with

worker's compensation, unemployment insurance or other programs required by applicable Law, and (v) any Lieu against or affecting leased property which is not a violation of the lease for such property.

"Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Entity or other entity.

"<u>Pre-Closing Straddle Period</u>" means with respect to a Straddle Period, the period of the Straddle Period that extends before the Closing Date through (and including) the Closing Date.

"Pre-Closing Tax Period" means any Tax period ending on or before the Closing Date.

"Post-Closing Adjustment" is defined in Section 2.1.

"Post-Closing Tax Period" means any Tax period beginning after the Closing Date.

"Postfaster" is defined in Section 1.4.

"Posting Solutions" is defined in Section 1.4.

"Purchaser" is defined in the Preamble.

"Purchaser Indemnitees" is defined in Section 6.2(a).

"Purchaser's Fundamental Representations" is defined in Section 6.1(b).

"Representative" means, with respect to any Person, any and all directors, managing members, managers, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"Resolution Period" is defined in Section 2.2(b).

"Responding Party" is defined in Section 6.4(b).

"Retained Cash" is defined in Section 1.5.

"Review Period" is defined in Section 2.2(a).

"Seller" is defined in the Preamble.

"Seller's Fundamental Representations" is defined in Section 6.1(a).

"Seller Indemnitees" is defined in Section 6.2(b).

"Statement of Objections" is defined in Section 2.2(b).

"Straddle Period" is defined in Section 5.6(b).

"Subsidiary" of any Person means (i) a corporation of which such Person owns or controls such number of the voting securities which is sufficient to elect at least a majority of its Board of Directors or Board of Managers or (ii) a partnership or limited liability company of which such Person (either alone or through or together with any other Subsidiary) is the general partner or managing entity.

#### "Subsidiary Interests" is defined in Recital C.

"Tax" means any federal, state, local income, alternative or add-on minimum, estimated, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, capital profits, lease, service, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium or property tax, surcharge, any other similar governmental fee, and any other assessment or charge constituting a tax, together with all interest, penalties, additions to tax and additional amounts with respect thereto.

"<u>Tax Returns</u>" means all returns, declarations, reports, claims for refund, information statements and other documents relating to Taxes, including all schedules and attachments thereto, and including all amendments thereof.

"Third-Party Claim" is defined in Section 6.4(c).

"Website Technologies" is defined in Section 1.4.

"Working Capital" means: (a) the Current Assets of the Company, less (b) the Current Liabilities of the Company.

#### 7.2, Construction.

- (a) Any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement,
- (b) The words "include" and "including" and variations thereof shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation".
- (c) Except as otherwise indicated, all references in this Agreement to "Articles", "Sections", "Exhibits" and "Schedules" are intended to refer to the Articles and Sections of this Agreement, and to the Exhibits and Schedules to this Agreement, including the Disclosure Letter, as the context may require. All such Exhibits and Schedules, including the Disclosure Letter, shall be deemed a part of, and are hereby incorporated by this reference into, this Agreement.
- (d) The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

#### ARTICLE VIII GENERAL PROVISIONS

- 8.1. Amendment: Waiver. This Agreement may be amended by the Parties only by execution of an instrument in writing signed by Purchaser and Seller. At any time prior to the Closing, Purchaser, on the one hand, and Seller, on the other, may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations of the other Parties, (ii) waive any inaccuracies in the representations and warranties made to such Party contained herein or in any document delivered pursuant hereto, or (iii) waive compliance with any of the agreements or conditions for the benefit of such Party contained herein. Any agreement by any Party to any such extension or waiver shall be valid only if and to the extent set forth in an instrument in writing signed on behalf of such Party. No failure on the part of any Person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy; and no single or partial exercise of any such power, right privilege or remedy; and no single or partial exercise thereof or of any other power, right, privilege or remedy.
- 8.2. Expenses. Except as otherwise specifically provided herein, each Party shall bear all fees, costs and expenses (including attorneys' and accountants' fees, costs and expenses) incurred by such Party in connection with the transactions contemplated by this Agreement.
- 8.3. <u>Public Announcements.</u> No public release or announcement concerning this Agreement or the transactions contemplated hereby shall be issued by any Party without the prior written consent of Seller, except as such release or announcement may be required by applicable Law or the rules or regulations of any applicable Governmental Entity to which the relevant Party is subject, in which case the Party required to make the release or announcement shall use its reasonable best efforts to provide the other Party reasonable time to comment on such release or announcement in advance of such issuance, it being understood that the final form and content of any such release or announcement, to the extent so required, shall be at the final discretion of the disclosing Party.
- 8.4. Notices. All notices required or permitted to be given hereunder shall be in writing and may be given in person or by United States mail, by delivery service or by electronic transmission. Any notice directed to a Party to this Agreement shall become effective upon the earliest of the following: (i) actual receipt by that Party; (ii) delivery to the designated address of that Party, addressed to that Party; or (iii) if given by certified or registered United States mail, twenty-four (24) hours after deposit with the United States Postal Service, postage prepaid, addressed to that Party at its designated address. The designated address of a Party shall be the address of that Party shown below or such other address as that Party, from time to time, may specify by notice to the other Parties.

(a) if to Purchaser (or to the Company after the Closing Date), to:

Attention: Carl A. Ferrer
Email:

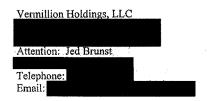
with a copy (which shall not constitute notice) to:

Bell Nunnally & Martin LLP

Attention: Larry L. Shosid

Telephone:
Facsimile:
Email:

(b) if to Seller to:



with a copy (which shall not constitute notice) to:

Quaries & Brady LLP

Attention: Susan Boswell

Telephone:
Facsimile:
Email:

8.5. <u>Entire Agreement</u>. This Agreement, the Exhibits and the Schedules hereto, including the Disclosure Letter, constitute the entire agreement among the Parties with respect to

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the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof.

- 8.6. Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision will be interpreted so as reasonably to effect the intent of the Parties. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.
- 8.7. Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which the Parties are entitled at Law or in equity.
- 8.8. Successors and Assigns; Assignment; Parties in Interest. Seller may at any time assign Seller's rights in this Agreement, the Loan Agreement, the Loan Documents, and the Note and be relieved of all liability under this Agreement and such Affiliate shall assume all of Seller's obligations under this Agreement. Without limiting the foregoing, Purchaser hereby acknowledges that immediately following the Closing, Seller will assign this Agreement, the Loan Agreement and the Note to Shearwater Investments, LLC, an Affiliate of Seller and Purchaser will honor such assignment by Seller. Borrower may not sell or assign this Agreement, or any other agreement with Seller or any portion thereof, either voluntarily or by operation of law, without the prior written consent of Seller, which consent Seller may give or withhold in its sole and absolute discretion. This Agreement shall be binding upon Seller and Purchaser and their respective legal representatives and successors. All references herein to Purchaser shall be deemed to include any successors, whether immediate or remote. In the case of a joint venture or partnership, the term "Purchaser" shall be deemed to include all joint venturers or partners thereof, who shall be jointly and severally liable hereunder.

#### 8.9. Governing Law; Venue.

- (a) This Agreement shall be governed by the internal laws of the State of Delaware applicable to contracts made and to be performed entirely within such state, without regard to conflict of laws principles.
- (b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE OF DELAWARE SITTING IN NEW CASTLE COUNTY, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH

ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT ANY PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AGAINST ANY OTHER PARTY OR THEIR RESPECTIVE PROPERTIES IN THE COURTS OF ANY JURISDICTION.

- 8.10. Waiver of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY ANCILLARY DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HERBY OR THERBY. EACH PARTY HERETO CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTIES HAS REPRESENTED, EXPRESSLY OR OTHERWISE THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.10.
- 8.11. Other Remedies. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.
- 8.12. <u>Conflict with Loan Documents</u>. Notwithstanding anything contained herein to the contrary, if there is any conflict or inconsistency between this Agreement and the Loan Agreement or any Loan Document, the Loan Agreement and Loan Document shall control over the terms of this Agreement.
- 8.13. <u>Counterparts; Electronic Delivery</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission shall be binding to the same extent as an original signature page. Any Party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other Party that requests such original counterpart, it being understood and agreed that the failure to deliver any such original counterpart upon request shall not affect the binding nature of the signature page delivered by facsimile or electronic image transmission.

[Signature Page Follows.]

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IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered by its duly authorized representative as of the date first written above.

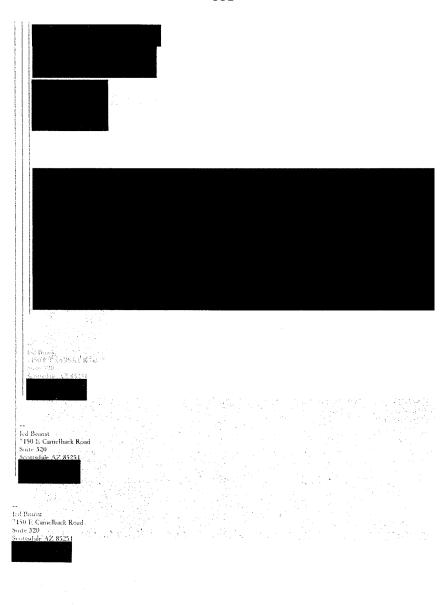
# PURCHASER: ATLANTISCHE BEDRIJVEN, C.V., a Dutch limited partnership, represented by Kickapoo River Investments, LLC, its sole General partner By: Name: Carl A. Ferrer Title: Managing Director THE COMPANY: DARTMOOR HOLDINGS, LLC, a Delaware limited liability company By: Name: John E. Brunst Title: President By: DARTMOOR HOLDINGS, LLC, a Delaware limited liability company

[Signature page to Membership Interest Purchase Agreement]

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Fruit:   Jed Brunst
One more comment.  On the earn out value calculation (Sch 4), shouldnt the calculation simply be the yr 5 EBITDA be multiplied by by 5 and then this result discounted back to today and added to the value? I dont think interest, tax payments or free cash flow payments should be deducted from EBITDA in arriving at the business value for purposes of applying the multiple. That not how I intended this to work.
On Sun. Nov 15, 2015 at 8:33 AM. Jed Brums  Atlantic CV domiciled in Curacao, is subject to US tax on its carnings since all its earnings come from US entities, all of which are pass through entities owned indirectly by Carl Ferrer, a US citizen. The US tax rate should apply.  In comparison, UGC Tech, also a Curacao entity, does not pay any US tax because its income is from non US entities who pay tax in their respective non US (Netherlands) countries. You can confirm with Sean  The VMG note valuation looks OK to me.
On Sat, Nov 14, 2015 at 1,33 PM, Jed Brunst Nove:  not decided yet, will decide next week after I talk with Sean. I will call you on Monday morning to talk thru some; questions on the model.
On Sat. Nov. 14, 2015 at 11:07 AM. wrote:
I wanted to confirm that both BP notes were restructured into one with the revised principal of \$27 million. Was our understanding correct?
Thank you,
From: Sent: Thursday, November 12, 2015 6:21 PM Tori Cc: Subject: Medalist - VMG and BP Notes DRAFT Schedules
Jed,
Attached please find our draft schedules related to valuation of YMG and BP notes. Please review and let us know your comments/questions. Once we receive your feedback, we will proceed with drafting the reports.
Thank you,



App.000581

#### **EXECUTION VERSION**

# PROMISSORY NOTE (UGC Foreign Operations)

(US) \$77,005,592.50

April 22, 2015

To: VERMILLION HOLDINGS, LLC, a Delaware limited liability company, as Original Lender, and SHEARWATER INVESTMENTS, LLC, a Delaware limited liability company and a wholly-owned Subsidiary of Original Lender, as New Lender; New Lender is the holder of the Loan pursuant to the contribution of the Loan Agreement and all right, title and interest in and to the Loan by Original Lender to New Lender; when used herein, the term "Lender" shall refer to Original Lender with respect to matters prior to such contribution and shall refer to New Lender with respect to matters from and after the time of such contribution

FOR VALUE RECEIVED, the undersigned, UGC TECH GROUP C.V., a Dutch limited partnership ("Maker") promises to pay to the order of Lender (together with all subsequent holders of this Note, "Payee"), by wire transfer pursuant to the wire instructions attached hereto as Schedule A, or such other place as Payee may from time to time designate in writing, the Principal (defined below), together with interest on the Principal calculated on a daily basis (based on a 360-day year) from the date of advance hereunder on the Principal balance from time to time outstanding, and all other sums payable hereunder. As used herein, the term "Principal" shall mean the full purchase price in the amount of \$77,005,592.50 owing from Maker to Payee under the PSA (defined below), which obligation is evidenced in the stated face amount of this Note, together with the payment of all other indebtedness, obligations and liabilities of Maker or any other Obligor to Payee, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of this Note, the Loan Agreement (defined below), the PSA Documents (defined below) or any other instruments or agreements executed and delivered pursuant to or in connection with any of the foregoing documents.

Principal, interest and all other sums payable hereunder shall be paid in lawful money of the United States of America as follows:

- A. Interest shall accrue on the unpaid Principal balance of this Note from the date of advance hereunder until paid at the rate of seven percent (7%) per annum.
- B. Commencing upon May 31, 2015 and on or before the last day of each calendar month thereafter, through and including February 28, 2021, Maker shall make monthly payments of (i) all accrued and unpaid interest, and (ii) principal reduction payments in the amounts set forth on Schedule 1 of this Note.
- C. Commencing on July 31, 2015, and on the last day of the first month following the end of each calendar quarter thereafter (e.g., April 30 for the calendar quarter ending on March 31), through and including January 31, 2021, Maker shall make additional payments of all

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things, a Security Agreement of even date herewith between Maker, as debtor, and Lender, as secured party. This Note and the Loan Agreement evidence the financing of the purchase price and certain other obligations arising in connection with the closing of the transactions contemplated in that Purchase and Sale Agreement of on or about even date herewith between Maker, as buyer, and Payee, as seller (the "PSA"). The PSA, together with the Backpage License (as defined therein) and all other documents executed in connection with either the PSA or the Backpage License are referred to herein as the "PSA Documents"). Capitalized terms used, but not defined, herein shall have the meanings given to those terms in the Loan Agreement.

Time is of the essence of this Note. Upon the failure by Maker to pay any amount when due hereunder, or upon any Event of Default, as defined in the Loan Agreement, (i) the rate of interest hereunder shall increase to twelve percent (12%) per annum (the "Default Rate") until paid in full or until such Event of Default, if capable of being cured, is fully cured by Maker, and (ii) Payee may exercise any rights and remedies in such order and manner as Payee, in its sole discretion, shall determine. Maker shall pay all costs and expenses, including reasonable attorneys' fees and court costs, incurred in the collection or enforcement of all or any part of this Note. Failure of Payee to exercise any option hereunder shall not constitute a waiver of the right to exercise the same in the event of any subsequent default or in the event of the continuance of any existing default after demand for strict performance hereof.

Each party that is a Maker hereunder: (a) agrees to be jointly and severally bound, (b) waives demand, diligence, presentment for payment, protest and demand, and notice of extension, dishonor, protest, demand and nonpayment of this Note, (c) consents that Payee may extend the time of payment or otherwise modify the terms of payment of any part or the whole of the debt evidenced by this Note, at the request of any other person primarily liable hereon, and such consent shall not alter nor diminish the liability of any person, and (d) agree that Payee may setoff at any time any sums or property owed to any of them by Payee.

This Note shall be binding upon Maker and its successors and assigns and shall inure to the benefit of Payee and its successors and assigns,

This Note is subject to the express condition that at no time shall Maker be obligated, or required, to pay interest on the Principal balance at a rate which could subject Payee to either civil or criminal liability as a result of such rate being in excess of the maximum rate which Payee is permitted to charge. If, by the terms of this Note, Maker is, at any time, required or obligated to pay interest on the Principal balance at a rate in excess of such maximum rate, then the rate of interest under this Note shall be deemed to be immediately reduced to such maximum rate and interest payable hereunder shall be computed at such maximum rate and any portion of all prior interest payments in excess of such maximum rate shall be applied, and/or shall retroactively be deemed to have been payments made, in reduction of the Principal balance. Subject to the foregoing provisions in this paragraph, Maker agrees to an effective rate of interest that is the rate stated herein plus any additional rate of interest resulting from any other charges in the nature of interest paid or to be paid by or on behalf of Maker, or any benefit received or to be received by Payee, in connection with this Note.

DATED as of the date first written above.

UGC TECH GROUP C.V., a Dutch limited partnership

By: CF Holdings GP LLC, its sole general partner

Name: Carl A Ferrer

Title Chief Executive Officer

[Signature Page - Promissory Note (UGC Foreign Operations)]
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## SCHEDULE 1

## Principal Payment Reductions

Period	Amount of Required Principal Payment
Period Ending May 31, 2015	\$500,000
Period Ending June 30, 2015	\$450,000
Period Ending September 30, 2015	\$450,000
Period Ending December 31, 2015	\$475,000
Period Ending March 31, 2016	\$525,000
Period Ending June 30, 2016	\$625,000
Period Ending September 30, 2016	\$650,000
Period Ending December 31, 2016	\$700,000
Period Ending March 31, 2017	\$775,000
Period Ending June 30, 2017	\$825,000
Period Ending September 30, 2017	\$850,000
Period Ending December 31, 2017	\$950,000
Period Ending March 31, 2018	\$1,000,000
Period Ending June 30, 2018	\$1,075,000
Period Ending September 30, 2018	\$1,125,000
Period Ending December 31, 2018	\$1,300,000
Period Ending March 31, 2019	\$1,300,000
Period Ending June 30, 2019	\$1,350,000

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# FORBEARANCE AND MODIFICATION AGREEMENT

(With Consent and Agreement of Guarantors)

BY THIS FORBEARANCE AND MODIFICATION AGREEMENT (this "Forbearance Agreement"), made and entered into as of the day of February, 2015, Voice Media Group, Inc., a Colorado corporation, whose address is c/o Phoenix New Times, LLC, 1201 E. Jefferson Street, Phoenix, Arizona 85034 (hereinafter called "Borrower"), and Broadway Capital Corp., LLC, a Delaware limited liability company, whose address is c/o White and Williams, LLP, One Penn Plaza, Suite 4110, New York, New York 10119 (hereinafter called "Lender"), confirm and agree as follows:

#### RECITALS

- A. Borrower and Camarillo Holdings, LLC f/k/a Village Voice Media Holdings, LLC ("Camarillo") entered into a Membership Interest Purchase Agreement (the "Purchase Agreement"), dated as of November 8, 2012, pursuant to which Borrower purchased all of the membership interests of New Times Media, LLC, a Delaware limited liability company ("NT Media").
- B. Pursuant to that certain Assignment and Assumption Agreement dated as of January 10, 2013, Camarillo transferred and assigned to Lender all of its right, title, obligations and interest under the Purchase Agreement and to all proceeds related thereto.
- C. Borrower and Lender entered into a Credit Agreement dated January 17, 2013, which was amended by an Amendment to Credit Agreement effective January 17, 2013 (as so amended, the "Credit Agreement"), which provides for three loans by Lender to Borrower in the respective original principal amounts of \$2,500,000 (the "Revolving Loan"), \$28,000,000 ("Term Loan A") and \$2,800,627 ("Term Loan B", and together with the Revolving Loan and Term Loan A, collectively, the "Loans") upon the terms and conditions contained therein.
- D. The Revolving Loan is evidenced by a Revolving Note dated January 17, 2013, executed by Borrower, payable to the order of Lender, in the original principal amount of \$2,500,000 (the "Revolving Note").
- E. The Term Loan A is evidenced by a Term Note A dated January 17, 2013, executed by Borrower, payable to the order of Lender, in the original principal amount of \$28,000,000 ("Term Loan A Note"); and the Term Loan B is evidenced by an Amended and Restated

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Term Loan B Note, dated January 17, 2013, in the restated principal amount of \$1,935,771 ("Term Loan B Note")

- F. A Subsidiary Guaranty dated January 17, 2013 guaranteeing repayment of the Loan (the "Guarantee Agreement") was executed and delivered to Lender by the guarantors named therein (collectively, the "Guarantors").
- G. The Loan is also secured in part by the following:
  - A Borrower Pledge and Security Agreement dated January 17, 2013, executed by Borrower in favor of Lender (the "Borrower Pledge and Security Agreement");
  - (2) A Subsidiary Pledge and Security Agreement dated January 17, 2013, executed by the grantors named therein in favor of Lender (the "Subsidiary Pledge and Security Agreement");
  - (3) A Shareholder's Pledge and Security Agreement dated January 17, 2013, executed by the Pledgers named therein in favor of Lender (the "Shareholder's Pledge and Security Agreement");
  - (4) Trademark Security Agreement dated January 17, 2013, executed by Borrower, in favor of Lender (the "Trademark Security Agreement"); and
  - (5) A Copyright Security Agreement dated January 17, 2013 executed by Borrower in favor of Lender (the "Copyright Security Agreement").
  - UCC-1 Financing Statements were recorded and/or filed with respect to the Loans, including, but not limited to, each of the foregoing Security Agreements (collectively, the "Financing Statements").
- H. The foregoing documents, together with all other documents and instruments executed and delivered in connection with the Loans or that secure payment of the Loans, are hereinafter called the "Security Documents." The aggregation of the Credit Agreement, each Note, the Security Documents and the Guarantee Agreement is hereinafter sometimes referred to as the "Loan Documents".
- I. Borrower is in Default of Section 7.2.4(b) of the Credit Agreement for the period ending December 31, 2014 (the "Default"). In light of the Default, Lender has no obligation of any kind to provide further funding or financial accommodations to Borrower under the Credit Agreement (including, without limitation, the Revolving Loan) or otherwise, and Lender is entitled to exercise immediately its rights and remedies against Borrower and the Property securing Borrower's performance of the Loan Documents (the "Collateral")

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- on account of the Default. Borrower is asking Lender to forbear from exercising its collection and other rights under the Loan Documents.
- J. Borrower has requested that Lender (i) forbear from exercising its remedies under the Loan Documents on account of the Default, (ii) amend the Purchase Agreement to adjust the Purchase Price (defined therein) by conditionally reducing it by \$7,500,000 under the terms and conditions contained in this Forbearance Agreement, (iii) amend the Credit Agreement and other Loan Documents to reflect the conditionally adjusted Purchase Price by conditionally reducing the current outstanding principal amount of the Loans by \$7,500,000 in the aggregate in accordance with Exhibit A attached hereto, and (iv) make other modifications to certain Loan Documents as set forth specifically herein.
- K. In reliance on the representations, warranties, acknowledgements and agreements made herein by Borrower, Lender is willing to grant Borrower's request to forbear but only pursuant to the terms and conditions set forth in this Forbearance Agreement, including, without limitation, the adoption of the amendments to the Loan Documents and other agreements as set forth herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. RECITALS. The foregoing Recitals are adopted by the parties as true and correct statement of fact that such recitals constitute a part of this Forbearance Agreement which are incorporated into this part of this Forbearance Agreement as if set forth in full herein.

SECTION 2. DEFINITIONS. Capitalized terms used but not defined herein have the meanings given them in the Credit Agreement.

SECTION 3. AMENDMENTS TO CREDIT AGREEMENT. The Credit Agreement is hereby modified as follows:

3.1 Revolving Loan Commitment. The Revolving Loan Commitment amount is hereby reduced to \$1,000,000, which revised amount remains subject to reduction pursuant to Section 2.2 of the Credit Agreement. Borrower acknowledges and agrees that it shall not have any right to draw upon, nor shall Lender have any obligation to advance funds under the Revolving Loan Commitment unless and until Borrower has provided, and Lender has approved, a Compliance Certificate for the second Fiscal Quarter of the 2014 Fiscal Year, demonstrating compliance with all provisions of the Loan Documents, as amended by this Forbearance Agreement.

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- Term Note A. As of the date of this Forbearance Agreement the outstanding principal balance of Term Note A is \$28,000,000 and the amount of accrued and unpaid interest is \$2,223,943.75. The Parties hereby agree that as of the date of this Forbearance Agreement, the outstanding principal balance of Term Note A is hereby conditionally reduced to \$22,441,072.71 subject to payment and performance pursuant to the terms of the Loan Documents as amended by this Forbearance Agreement. It is acknowledged by the parties hereto, that Lender's agreement to accept such reduction is contingent on the performance by the Borrower, each Pledgor and each Guarantor of the terms of the Loan Documents as amended by this Forbearance Agreement. In the case of any Event of Default under the Credit Agreement, except an Event of Default under Sections 7.2.4 and 8.1.2 of the Credit Agreement or any default under this Forbearance Agreement, after the date of this Forbearance Agreement, the full amount of the outstanding principal balance of Term Note A on the day before the date of this Forbearance Agreement shall be fully due and payable together with all interest, costs, fees and other charges, including default interest, and including any interest (including default interest) on the outstanding principal balance as of the day before the date of this Forbearance Agreement, less any amounts of principal thereon repaid between the date of this Forbearance Agreement and the date of such default.
- Term Note B. As of the date of this Forbearance Agreement the outstanding principal balance of Term Note B is \$1,794,568.92 and the amount of accrued and unpaid interest is \$146,503.79. The Parties hereby agree that as of the date of this Forbearance Agreement, the outstanding principal balance of Term Note B is hereby conditionally reduced to \$0.00 and the amount of accrued and unpaid interest is reduced to \$0.00 subject to payment and performance pursuant to the terms of the Loan Documents as amended by this Forbearance Agreement. It is acknowledged by the parties hereto, that Lender's agreement to accept such reduction is contingent on the performance by the Borrower, each Pledgor and each Guarantor of the terms of the Loan Documents as amended by this Forbearance Agreement. In the case of any Event of Default under the Credit Agreement, except an Event of Default under Sections 7.2.4 and 8.1.2 of the Credit Agreement or any default under this Forbearance Agreement, after the date of this Forbearance Agreement, the full amount of the outstanding principal balance of such Term Note B on the day before the date of this Forbearance Agreement shall be fully due and payable together with all interest, costs, fees and other charges, including default interest, and including any interest (including default interest) on the outstanding principal balance as of the day before the date of this Forbearance Agreement, less any amounts of principal thereon repaid between the date of this Forbearance Agreement and the date of such default.
- 3.4 Rates. From and after the date hereof, each of Term Note A and Term Note B shall bear interest (the "Current Interest Rate") at the per annum rate of nine percent (9%). In the event that there is a default under the terms of this Forbearance Agreement or the Loan Documents after the date of this Forbearance Agreement and the full amount of Term Loan A or Term Loan B become fully due and payable pursuant to Sections 3.2 and 3.3 above, interest shall accrue from the date of this Forbearance Agreement until paid in full at the Current Interest Rate.

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All other provisions of the Loan Documents with respect to interest rate, including, without limitation, the Default Rate, shall continue to apply.

3.5 <u>Consolidation, Merger, etc.</u> The following sentence is hereby inserted immediately after the end of Section 7.2.9 of the Credit Agreement:

Notwithstanding the foregoing, Lender agrees that Borrower may liquidate, dissolve, or suspend business operations of OC Weekly, LP and Riverfront Times, LLC if Borrower is unable to Dispose of the Capital Securities or assets of such Subsidiaries in its reasonable judgment pursuant to Section 7.2.16.

#### 3.6 Permitted Dispositions.

(a) The definition of "Net Disposition Proceeds" as defined in Section 1.1 of the Credit Agreement is hereby clarified as follows:

Notwithstanding, the foregoing, no severance payments in connection with any Disposition shall be paid unless required by applicable law or pursuant to consent of Lender, in its sole and absolute discretion.

(b) The following sentence is hereby inserted immediately after the end of Section 7.2.10 of the Credit Agreement:

Notwithstanding the foregoing, Lender agrees that Borrower shall sell certain of its assets and apply the proceeds of such assets in accordance with Section 7.2.16.

- 3.7 <u>Asset Sales.</u> The following new Section 7.2.16 is hereby inserted immediately after Section 7.2.15 of the Credit Agreement:
  - SECTION 7.2.16 <u>Asset Sales</u>. Borrower agrees that it shall Dispose of its or its Subsidiaries' assets listed in <u>Schedule C</u> attached hereto to any Person(s) in one transaction or series of transactions on or prior to November 30, 2015. Borrower further agrees that:
  - (a) On or prior to June 30, 2015, it shall Dispose of sufficient assets listed in <u>Schedule C</u> to pay to Lender a minimum of \$3,000,000 from the Net Disposition Proceeds from such sale(s) to be applied by Lender to the obligations owing on Term Loan A in such manner as Lender determines in its sole discretion;
  - (b) On or prior to November 30, 2015, it shall Dispose of sufficient assets listed in  $\underline{Schedule\ C}$  to pay to Lender an additional \$2,500,000 from the Net

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Disposition Proceeds from such sale(s) to be applied by Lender to the obligations owing on Term Loan A in such manner as Lender determines in its sole discretion.

(c) Notwithstanding the identification of assets in Schedule C to be Disposed of in accordance with this Section 7.2.16(a) and (b) of the Credit Agreement, if the Disposition of the assets listed in Schedule C does not result in sufficient Net Disposition Proceeds to timely pay Lender the amounts pursuant to this Section 7.2.16(a) and (b) above of the Credit Agreement, Borrower shall still be obligated to pay Lender a minimum of \$3,000,000 on or prior to June 30, 2015 and \$2,500,000 on or prior to November 30, 2015 in addition to any other payments required under the Loan Documents or this Forbearance Agreement.

The Parties agree that the Borrower may retain up to fifteen percent (15%) of the Net Disposition Proceeds of each asset sale which occurs on or before June 30, 2015, not to exceed \$1,000,000 in the aggregate, for working capital purposes so long as no Event of Default exists or will result from such use at the time of such Disposition. The Parties further agree that if the proceeds paid to Lender from the Dispositions required under this Section 7.2.16 is greater than \$5,500,000, and Borrower is in full compliance with all terms and conditions of the Loan Documents, Lender will consider a request from Borrower for an amendment to the Credit Agreement and this Forbearance Agreement for adjustments to the financial covenants set forth in Section 7.2.4 of the Credit Agreement.

- 3.8 Tenn Note A Waiver of Interest Payment; Addition to Principal. The requirement for Borrower to pay interest due on Term Note A for the January 1, 2015, February 1, 2015 and March 1, 2015 Payment Dates are hereby waived. The unpaid interest for such Payment Dates shall be added to the principal balance of Term Note A, subject to the terms and conditions of this Forbearance Agreement, and shall accrue interest along with all other principal as to which interest accrues. The aggregate additional amount added to outstanding principal of Term Note A pursuant to the foregoing sentence shall be repaid in equal installments plus interest accrued on such payments at the Current Interest Rate over the April to December 2015 Payment Dates and shall be in addition to, and not in lieu of, any other payments required under Term Note A.
- 3.9 Term Loan C. The Credit Agreement includes a provision for a Term Loan C Commitment and a Term Loan C Note, to reflect obligations of Borrower to Lender which are in addition to, and not in lieu of, any other obligation of Borrower to Lender under any document referred to herein. The Term C Loan Commitment is applicable to certain "Earn Out Payments" (defined in the Credit Agreement) due to Lender from Borrower under the Purchase Agreement. The Parties hereby agree that the "Earn Out Period" defined in the Purchase Agreement is hereby

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extended to include the twelve-month (12) period ending December 31, 2017, and the multiplier to be applied in calculating the Earn Out Payments is hereby changed from 2.75X to 2.0X.

- 3.10 Refinance Requirement. If at any time, from and after the date of this Forbearance Agreement, and after the Earn Out as defined in Sections 2.02 (b), (c) and (d) of the Purchase Agreement has been determined, Leverage as determined pursuant to Section 7.2.4(c) of the Credit Agreement is less than 2.50 to 1.00, Borrower shall be required to find alternative financing from another lender to refinance all amounts due under the Loan Documents on or before a date that is one hundred and fifty (150) days after the date on which the Compliance Certificate for the quarter in which Leverage falls below the 2.50 to 1.00 ratio is due pursuant to the terms of the Credit Agreement. Without limiting the generality of the foregoing, the amounts due Lender shall include, without limitation, the Loans and any unpaid Earn Out Payments (the "Refinanced Amount"). If a refinance is not completed by the date referred to in the first sentence of this Section 3.10, then, from and after such date, all amounts unpaid under the Loan Documents shall bear interest at a per annum rate of twelve percent (12%).
- 3.11 <u>Financial Information, Reports, Notices, etc.</u> Section 7.1.1 of the Credit Agreement is hereby amended by inserting the follow new subsection (I) immediately after subsection (k):
  - (1) On or before February 15 of each fiscal year in which the Loans remain outstanding, Borrower shall provide to Lender a copy of Borrower's proposed schedule outlining the individual bonus payments (the "Performance Bonuses") proposed to be paid to any ad directors or publishers of Borrower or any of its Subsidiaries (including any Shareholders) whose bonus is specific to performance of a unit or Subsidiary of Borrower (the "Operational Employees") and any Shareholders whose bonus is not specific to performance of a unit or Subsidiary of Borrower (the "Shareholders") at the discretion of the CEO (the "Performance Bonus Schedule"). So long as no Event of Default exists or would occur under the Loan Documents at the time of the proposed payment of the Performance Bonuses, Borrower may pay such Performance Bonuses at the time they would become payable; provided, however, that, any Performance Bonuses payable to Shareholders shall only be paid out of the twenty-five percent (25%) of Free Cash Flow retained by Borrower pursuant to the Credit Agreement. If there is no Free Cash Flow or if the twenty-five percent (25%) of Free Cash Flow is not sufficient to pay the Shareholder Bonuses in full, Borrower shall only pay the amount of Shareholder Bonuses as can be paid out of the twenty-five percent (25%) of Free Cash Flow. To the extent that Shareholder Bonuses are not paid in full from the twenty-five percent (25%) of Free Cash Flow, such Shareholder Bonuses shall not accrue from year to year. Notwithstanding the foregoing, Borrower shall not pay any Performance Bonuses not previously scheduled on the Performance Bonus Schedule, whether or not an Event of Default exists or would occur under the Loan Documents at the time of the proposed payment. An Authorized Officer of Borrower shall certify to Lender on each

Compliance Certificate delivered to Lender on a quarterly basis pursuant to Section 7.1.1(c) of the Credit Agreement that: (i) to the extent Borrower paid any Performance Bonuses during the time period covered by such Compliance Certificate, such Performance Bonuses were made in accordance with the Performance Bonus Schedule, (ii) no Event of Default existed prior to or resulted from the payment of any Performance Bonus in the applicable period covered by the Compliance Certificate, and (iii) all Performance Bonuses to paid to Shareholders were paid from the twenty-five percent (25%) of Free Cash Flow retained by Borrower (the "Bonus Certification"). If an Authorized Officer of Borrower is unable to provide the Bonus Certification, Borrower shall not pay the Performance Bonuses.

3.12 <u>Financial Covenants</u>. Section 7.2.4(a) through 7.2.4(c) of the Credit Agreement are hereby amended and restated to read as follows:

#### SECTION 7.2.4 Financial Covenants.

(a) <u>Interest Coverage Ratio</u>. Borrower will not permit the Interest Coverage Ratio for the four prior consecutive Fiscal Quarters, calculated as of the last date of each Fiscal Quarter to be less than the ratio set forth below:

Period	Interest Coverage Ratio
Period Ending June 30, 2016	1.25 : 1.00
Period Ending September 30, 2016	1.45 : 1.00
Period Ending December 31, 2016	1.95 : 1.00
Period Ending March 31, 2017	2.15:1.00
Period Ending June 30, 2017	2.60 ; 1.00
Period Ending September 30, 2017	2.85:1.00
Period Ending December 31, 2017	3.60 : 1.00
Period Ending March 31, 2018	3.25 : 1.00
Period Ending June 30, 2018	3.25 : 1.00

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Period Ending September 30, 2018	3.25 : 1.00
Period Ending December 31, 2018	3.25 : 1.00
Period Ending March 31, 2019	3.50 : 1.00
Period Ending June 30, 2019	4.00 : 1.00
Period Ending September 30, 2019 and thereafter	4.00 : 1.00

## (b) EBITDA. Borrower will not permit its EBITDA to be less than:

Period	EBITDA
January 1, 2015 – March 31, 2015	(\$ 1,200,000)
January 31, 2015 - June 30, 2015	(\$ 375,000)
January 31, 2015 – September 30, 2015	\$ 125,000
January 31, 2015 – December 31, 2015	\$ 1,350,000

From after January 1, 2016 this covenant shall be tested at the end of each Fiscal Quarter based on a period of the preceding four (4) consecutive Fiscal Quarters as follows:

Period Ending March 31, 2016	\$ 1,800,000
Period Ending June 30, 2016	\$ 2,275,000
Period Ending September 30, 2016	\$ 2,575,000
Period Ending December 31, 2016	\$ 3,325,000

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Period Ending March 31, 2017	\$ 3,625,000
Period Ending June 30, 2017	\$ 4,160,000
Period Ending September 30, 2017	\$ 4,485,000

(c) <u>Leverage</u>. Borrower's ratio of (x) EBITDA for the prior four (4) consecutive Fiscal Quarters to (y) the aggregate amount of principal outstanding on Term Loan A and the Revolving Loan on the date of calculation shall not be greater than:

Period Ending December 31, 2015	14.25 to 1.00
Period Ending March 31, 2016	10.75 to 1.00
Period Ending June 30, 2016	8.50 to 1.00
Period Ending September 30, 2016	7.25 to 1.00
Period Ending December 31, 2016	5.35 to 1.00
Period Ending March 31, 2017	4.90 to 1.00
Period Ending June 30, 2017	4.00 to 1.00
Period Ending September 30, 2017	3.65 to 1.00
Period Ending December 31, 2017	2.60 to 1.00
Period Ending March 31, 2018	4.75 to 1.00
Period Ending June 30, 2018	4.00 to 1.00
Period Ending September 30, 2018	3.70 to 1.00
Period Ending December 31, 2018	2.85 to 1.00

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Period Ending March 31, 2019	2.75 to 1.00
Period Ending June 30, 2019	2.35 to 1.00
Period Ending September 30, 2019	2.15 to 1.00
Period Ending December 31, 2019	1.65 to 1.00

3.13 <u>Compensation Restrictions.</u> Section 7.2.7 of the Credit Agreement is hereby replaced with the following:

"Borrower will not, and will not permit any of its Subsidiaries to, pay salaries or compensation to Shareholders other than as commensurate with compensation policies immediately prior to the Effective Date.

Borrower will not, and will not permit any of its Subsidiaries, to pay or enter into any agreement to pay any performance bonuses, retention bonuses or severance payments or any other compensation (other than that allowed pursuant to the immediately preceding sentence of this Section 7.2.7 to the Shareholders without the prior written consent of Lender, which consent may be given or withheld in the sole and absolute discretion of Lender.

3.14 <u>Bankruptcy, Insolvency, etc.</u> Section 8.1.10 of the Credit Agreement is hereby amended by inserting the following paragraph immediately after subsection (e):

Notwithstanding the foregoing, nothing contained in this Section 8.1.10 shall preclude Lender from consenting, in writing, to a bankruptcy filing by Borrower or one of its Subsidiaries upon written request from Borrower. Lender's consent may be given or withheld in Lender's sole and absolute discretion. If Lender consents in writing to such a bankruptcy filing, such a filing shall not be an Event of Default hereunder. Notwithstanding Lender's written consent to a bankruptcy filing pursuant to this Section 8.1.10, all terms and conditions of Section 5 of this Forbearance Agreement shall remain in full force and effect.

#### 3.15 Schedules.

(a) Term Loan A Amortization Schedule. Schedule B to the Credit Agreement is hereby replaced with  $\underline{Schedule\ B}$  attached hereto.

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- (b) Asset Sale Schedule. A new Schedule C in the form of Schedule C attached hereto is hereby inserted immediately after Schedule C to the Credit Agreement.
- (c) <u>Compliance Certificate</u>. Exhibit D (Compliance Certificate) to the Credit Agreement is hereby replaced with Exhibit D attached hereto.

# SECTION 4. OTHER MODIFICATIONS, REPRESENTATIONS RATIFICATIONS AND AGREEMENTS.

- 4.1 All references in the Security Documents to the amount of the Loans as hereby amended shall mean the total of the amounts due under any Note as hereby amended.
- 4.2 All references to any Note in the Credit Agreement and in the Security Documents are hereby amended to refer to such Note as hereby amended.
- 4.3 All references to the Credit Agreement in any Note and in the Security Documents are hereby amended to refer to the Credit Agreement as hereby amended.
- 4.4 All references to any Security Document in any Note and in the Credit Agreement are hereby amended to refer to that Security Document as hereby amended.
- 4.5 Borrower hereby represents and warrants to Lender that since January 1, 2014, neither it nor any Subsidiary of Borrower: (i) has paid any bonuses to any Shareholders except as disclosed in Schedule 4.5 attached hereto; (ii) has entered into any employment or other agreements with any officers, managers or directors of the Borrower or any of its Subsidiaries or any Shareholder for the payment of any performance bonuses, severance, retention bonuses or any other compensation of any type; and (iii) has not paid any compensation to any officers, managers or directors of the Borrower or any of its Subsidiaries or any Shareholder except as allowed pursuant to Section 7.2.7 of the Credit Agreement.
- 4.6 Borrower acknowledges that the indebtedness evidenced by any Note is just and owing, that the balance thereof is correctly shown in the records of Lender as of the date hereof, and Borrower agrees to pay the indebtedness evidenced by any Note and the indebtedness secured by the Security Documents, according to the terms thereof, as herein modified.
- 4.7 Borrower hereby reaffirms to Lender each of the representations, warranties, covenants and agreements of Borrower set forth in any Note, the Credit Agreement, all Security Documents and any other Loan Documents, with the same force and effect as if each were separately stated herein and made as of the date hereof and confirms that no other Events of Default have occurred or exist except those identified to Lender as of December 31, 2014 as set forth in Recital I. of this Forbearance Agreement.

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- Borrower hereby ratifies, reaffirms, acknowledges, and agrees that any Note, the Credit Agreement, the Security Documents, any other Loan Documents and this Forbearance Agreement represent valid, enforceable and collectible obligations of Borrower, and that there are no existing claims, defenses, personal or otherwise, or rights of setoff whatsoever with respect to any of these documents or instruments. In addition, Borrower hereby expressly waives, releases and absolutely and forever discharges Lender and its present and former shareholders, directors, officers, employees and agents, and their separate and respective heirs, personal representatives, successors and assigns, from any and all liabilities, claims, demands, damages, action and causes of action, whether known or unknown and whether contingent or matured, that Borrower may now have, or has had prior to the date hereof, or that may hereafter arise with respect to acts, omissions or events occurring prior to the date hereof and, without limiting the generality of the foregoing, from any and all liabilities, claims, demands, damages, actions and causes of action, known or unknown, contingent or matured, arising out of, or in any way connected with, the Loan. Borrower further acknowledges and represents that no event has occurred and no condition exists that, after notice or lapse of time, or both, would constitute a default under this Forbearance Agreement, any Note, the Credit Agreement, or any Security Document except the Default specifically set forth in the Recitals above.
- 4.9 All terms, conditions and provisions of each Note, the Credit Agreement, the Security Documents and any other Loan Documents are continued in full force and effect and shall remain unaffected and unchanged except as specifically amended hereby. Each of the Notes, the Credit Agreement and the Security Documents, as amended hereby, are hereby ratified and reaffirmed by Borrower, and Borrower specifically acknowledges the validity and enforceability thereof.

# SECTION 5. SPECIAL PROVISIONS RELATED TO THE TRANSACTION AND THE RESTRUCTURE OF THE OBLIGATIONS.

Borrower and Guarantors, on the one hand, and Lender, on the other hand, and their respective attorneys have engaged in thorough and extensive settlement negotiations with each other immediately preceding and resulting in the execution of this Forbearance Agreement. All of those settlement negotiations have been completed, and are merged into this Forbearance Agreement and the Loan Documents executed in connection therewith, which states as a full, complete, express, written, and unambiguous integration of the precise agreement of Borrower and Guarantors, on the one hand, and Lender, on the other hand. Pursuant to those settlement negotiations now merged into this Forbearance Agreement and the Loan Documents executed in connection therewith, Borrower, Guarantors and Lender have agreed to a restructure of the obligations, and agreed to an arrangement under which Lender is willing to accommodate Borrower's requests as set forth herein which are critical to Borrower's continued operations. Lender is willing to enter into this Forbearance Agreement and make the accommodations to Borrower as set forth herein only because of the assurances by Borrower and Guarantors that, in the event of a default under this Forbearance Agreement or the Loan Documents as modified

hereby, Lender will have the absolute right to enforce all of its legal, equitable, and contractual rights under this Forbearance Agreement and the Loan Documents as modified hereby. Based upon the foregoing, Borrower and Guarantors represent, warrant and agree as follows:

- 5.1 Borrower and Guarantors confirm that they are not involved in any pending or threatened bankruptcy proceeding under the Bankruptcy Code ("Bankruptcy Proceeding").
- 5.2 In any Bankruptcy Proceeding brought by or against Borrower, Borrower and Guarantors stipulate and agree that Lender, Borrowers and Guarantors will execute documents requested by Lender to allow Lender to be granted immediate and complete relief from all bankruptcy stays and injunctions, including the automatic stay of Bankruptcy Code § 362(a), so that Lender can exercise all of its rights and remedies under this Forbearance Agreement and the Loan Documents as modified hereby. Borrower and Guarantors each agree that they will execute any and all additional documents and take any other actions necessary for Lender to obtain such stay relief in any Bankruptcy Proceeding. Borrower and Guarantors each further agree that each will take no action, directly or indirectly, to impede or impair Lender's exercise of its right to stay relief as provided herein.
- 5.3 In any Bankruptcy Proceeding, Borrower and Guarantors acknowledge and agree that Lender is entitled to adequate protection of its interests in the Collateral and that neither Borrower nor Guarantors will oppose any request of Lender for adequate protection pursuant to applicable provisions of the Bankruptcy Code.
- This Forbearance Agreement is executed by Borrower and Guarantors voluntarily and not pursuant to any duress. The transfers and conveyances made to Lender pursuant to this Forbearance Agreement are not intended in any way to hinder, defraud, or delay any creditors of any Borrower or Guarantors. The transfers and conveyances made to Lender are for fair consideration and are for reasonably equivalent, contemporaneous and new value. The transfers and conveyances made to Lender pursuant to this Forbearance Agreement will not render Borrower or Guarantors insolvent or undercapitalized. The transfers and conveyances made to Lender pursuant to this Forbearance Agreement will not enable Lender to receive more than it would receive in a Chapter 7 bankruptcy of each or any of Borrower or Guarantors had the transfers or conveyances not been made. Lender is not an insider of any of Obligors within the meaning of Bankruptcy Code § 101(31). As a consequence, Borrower and Guarantors confirm and acknowledge that the transfers and conveyances made to Lender pursuant to this Forbearance Agreement cannot be avoided under any applicable state or federal fraudulent conveyance statutes, including Bankruptcy Code § 548 or any other similar federal or state law providing for avoidance of transfers to creditors. Likewise, Borrower and Guarantors confirm and agree that the transfers and conveyances to Lender do not constitute preferential transfers within the meaning of any applicable state or federal statute, including Bankruptcy Code § 547.

- 5.5 Upon the occurrence of a Bankruptcy Proceeding, and if any of the Collateral is included within the Bankruptcy Estate pursuant to, and defined in, Bankruptcy Code § 541 or is otherwise administered in the Bankruptcy Proceeding, then all rents and sales proceeds, proceeds from the Collateral (if included in the Bankruptcy Estate), accounts receivable, contracts rights, contracts and general intangibles (any other Collateral defined as "Cash Collateral" by Bankruptcy Code § 363(a)) will be deemed to be "Cash Collateral" for purposes of Bankruptcy Code § 363 and, and will be subject to the first and prior secured claims of Lender in and to such Collateral. Further, Borrower and Guarantors acknowledge and confirm that Lender now holds, and will continue to hold, a valid and perfected first and prior lien on all rents and the proceeds of the Collateral upon the occurrence of any Bankruptcy Proceeding.
- 5.6 Borrower and Guarantors acknowledge that this Forbearance Agreement is a fully executed agreement and not an executory contract within the meaning of Bankruptcy Code § 365. Accordingly, upon the occurrence of a Bankruptcy Proceeding prior to the full performance hereof, neither this Forbearance Agreement nor any documents executed in conjunction herewith may be assumed or rejected in the Bankruptcy Proceeding. In all events, if a Bankruptcy Court determines that this Forbearance Agreement or any document executed in conjunction herewith is an executory contract within the meaning of Bankruptcy Code § 365, Borrower and Guarantors acknowledge and agree that this Forbearance Agreement is a contract providing for financial accommodations by Lender, and, therefore, it is not subject to assumption without the consent of Lender and Lender is not be obligated to permit such assumption.

#### SECTION 6. GENERAL.

- 6.1 This Forbearance Agreement in no way acts as a release or relinquishment of those liens, security interests and rights securing payment of the Loans, including, without limitation, the liens created by the Security Documents. Such liens, security interests and rights are hereby ratified, confirmed, renewed and extended by Borrower in all respects.
- 6.2 The Persons executing this Forbearance Agreement on behalf of Borrower and Lender have all requisite power and authority to execute this Forbearance Agreement on behalf of Borrower or Lender, as the case may be.
- 6.3 The modifications contained herein shall not be binding upon Lender until Lender shall have received all of the following:
  - (a) An original of this Forbearance Agreement fully executed by Borrower and all Guarantors;
  - (b) An extension fee in the amount of \$160,000, which shall be paid by adding such amount to the principal balance of Term Note A;

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- (c) Payment of or reimbursement to Lender of all costs and expenses incurred with respect to this Forbearance Agreement in accordance with Section 6.5 below;
- (d) If Borrower or any Guarantor is a corporation, limited liability company, partnership or trust, such resolutions or authorizations and such other documents as Lender may require relating to the existence and good standing of that corporation, limited liability company, partnership or trust, and the authority of any person executing this Forbearance Agreement or other documents on behalf of that corporation, partnership or trust; and
- (e) The parties shall have agreed to the amendment of the content of Internal Revenue Code form number 8594, to reflect the decreased asset sale price described in Sections 3.2 and 3.3, above, of this Forbearance Agreement.
- 6.4 Borrower shall execute and deliver such additional documents and do such other acts as Lender may reasonably require to fully implement the intent of this Forbearance Agreement.
- 6.5 On or before February 13, 2015, Borrower and Scott Tobias shall execute a Non-Competition Agreement, in form and substance satisfactory to Lender in its sole and absolute discretion which shall provide that Lender shall have the right to enforce the rights of Borrower under the Non-Competition Agreement and names Lender as a third-party beneficiary to Borrower under the Non-Competition Agreement. Failure to enter into the Non-Competition Agreement pursuant to the terms of this Section 6.4 shall be an Event of Default under Section 8.1.3 of the Credit Agreement.
- 6.6 Borrower shall pay all costs and expenses, including, but not limited to, recording or filing fees and reasonable attorneys' fees incurred by Lender in connection herewith, whether or not all of the conditions described in Paragraph 6.2 above are satisfied. Lender, at its option, but without any obligation to do so, may advance funds to pay any such costs and expenses that are the obligation of Borrower, and all such funds advanced shall bear interest at the highest rate provided in any Note, shall be due and payable upon demand and shall be secured by all of the Security Documents.
- 6.7 Notwithstanding anything to the contrary contained herein or in any other instrument executed by Borrower, Lender, or Guarantors, or in any other action or conduct undertaken by Borrower, Lender or Guarantors on or before the date hereof, the agreements, covenants and provisions contained herein shall constitute the only evidence of Lender's consent to modify the terms and provisions of any Note, the Credit Agreement, or any Security Documents. Accordingly, no express or implied consent to any further modifications involving any of the matters set forth in this Forbearance Agreement or otherwise shall be inferred or

implied by Lender's execution of this Forbearance Agreement. Further, Lender's execution of this Forbearance Agreement shall not constitute a waiver (either express or implied) of the requirement that any further modification of the Loans or of any Note, the Credit Agreement, or any other Security Document shall require the express written approval of Lender; no such approval (either express or implied) has been given as of the date hereof.

- 6.8 Notwithstanding this or any prior forbearance, actual or implied, of any nature by Lender, including but not limited to any acceptance of late payments, time is hereby declared to be of the essence hereof, of the Loans, of any Note, of the Credit Agreement, of all Security Documents and of all other Loan Documents, and Lender requires, and Borrower agrees to, strict performance of each and every covenant, condition, provision and agreement hereof, of any Note, of the Credit Agreement and of all Security Documents.
- 6.9 This Forbearance Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their heirs, personal representatives, successors and assigns.
- 6.10 This Forbearance Agreement is made for the sole protection and benefit of the parties hereto, and no other person or entity shall have any right of action hereon.
- 6.11 This Forbearance Agreement shall be governed by and construed according to the laws of the State of Delaware.
- 6.12 Subject to all of the provisions of this Forbearance Agreement, Lender will forbear from exercising its rights and remedies under the Loan Documents and otherwise with respect to the Event of Default identified in the Recitals. Any new Event of Default occurring after the date hereof shall not be subject to any forbearance by Lender.

(Signature Pages Follow)

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IN WITNESS WHEREOF, these presents are executed as of the date indicated above.

VOICE MEDIA GROUP, INC., as Borrower

Name: Scott Tobias Title: President

BROADWAY CAPITAL CORP., LLC, as Lender

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#### CONSENT AND AGREEMENT OF GUARANTORS

The undersigned Guarantors executed Guarantee Agreements as described in the foregoing Forbearance and Modification Agreement (the "Forbearance Agreement"). Guarantors each hereby consent, acknowledge and agree to the modifications and all other matters contained in the Forbearance Agreement and this Consent and Agreement of Guarantors and agree as follows: (a) all references in the Guarantee Agreements, to any Note, the Credit Agreement, and all Security Documents are hereby amended to refer to those documents as hereby amended; (b) the Guarantee Agreements are hereby amended to include and guarantee payment of the indebtedness resulting from the modifications contained in this Forbearance Agreement; (c) the Guarantee Agreements are continued in full force and effect and shall remain unaffected and unchanged except as specifically amended by this Consent and Agreement; (d) the Guarantee Agreements, as hereby amended, are hereby ratified and reaffirmed, and Guarantors specifically acknowledge the validity and enforceability thereof; and (e) Guarantors hereby release Lender from all liability and claims on the same terms and conditions as are stated in Section 4.8 of this Forbearance Agreement.

Dated as of this __ day of February, 2015.

LANCERO ASSOCIATES L.L.C.

Name: Scott Tobias

Title: President

HOUSTON PRESS LP

By: Name: Scott Tobias

Title: President

DALLAS OBSERVER LP

Name: Scott Tobias

Title: President

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LA WEEKLY, LP

By:

Name: Scott Tobias Title: President

OC WEEKLY, LP

Name: Scott Tobias Title: President

PHOENIX NEW TIMES. LLC

Name: Scott Tobias Title: President

DENVER WESTWORD, LLC

Ву: _ Name: Scott Tobias

Title: President

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## 606

By:

Name: Scott Tobias
Title: President

CITY PAGES LLC

By:

Name: Scott Tobias
Title: President

RIVERFRONT TIMES, LLC

By:

Name: Scott Tobias
Title: President

NEW TIMES BPB, LLC

By:

Name: Scott Tobias
Title: President

VILLAGE VOICE LLC

By: Name: Scott Tobias

Title: President

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VOICE MEDIA GROUP L.L.C.

Name: Scott Tobias
Title: President

VOICE PLACES, LLC

Name: Scott Tobias
Title: President

NEW TIMES MEDIA LLC

Name: Scott Tobias
Title: President

GUARANTORS

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### Voice Media Group, Inc. Note Payable

Term A	12/31/13	12/31/14	Change	Conditional Reduction	Balance After Conditional Reduction
Beg Principal	\$28,000,000.00	\$28,000,000.00	\$0.00		
Less Prin Pyrnts			\$0.00	/de een nea 201	
Less: Principle Reduction				(\$5,558,927.29)	
Plus Extension Fee	\$0.00	\$0.00	\$0.00	\$160,000.00	\$22,601,072,71
	\$28,000,000.00	\$28,000,000.00	\$0.00	(\$5,398,927.29)	\$22,001,072.71
Interest Accrued	\$2,030,000.00	\$4,313,531.25	\$2,283,531.25		
Less: interest pymts	***************************************	(\$2,089,587.50)	(\$2,089,587.50)		
Net Interest	\$2,030,000.00	\$2,223,943.75	\$193,943.75	\$0.00	\$2,223,943.75
Term A Outstanding Balance	\$30,030,000.00	\$30,223,943.75	\$193,943.75	(\$5,398,927.29)	\$24,825,016.46
Term B	12/31/13	12/31/14	Change		
Beg Principal	\$1,935,771.00	\$1,794,568.92	(\$141,202.08)		
Less Prin Pymts	(\$141,202.08)	,,	\$141,202.08		
	\$1,794,568.92	\$1,794,568.92	\$0.00 F	rin (\$1,794,568.92)	\$0,00
Interest Accrued	\$134,048.14	\$280,703.39	\$146,655.26		
Less: interest pymts		(\$134,199.60)	(\$134,199.60)		
Net interest	\$134,048.14	\$146,503.79	\$12,455.65 accd	int. (\$146,503.79)	(\$0.00)
Term B Outstanding Balance	\$1,928,617.06	\$1,941,072.71	\$12,455.65		(\$0.00)
Cambined	12/31/13	12/31/14	Change		
Beg Principal	\$29,935,771.00	\$29,794,568.92	(\$141,202.08)		\$22,601,072.71
Less Prin Pyrnts	(\$141,202.08)	\$0.00	\$141,202.08		010,000,000
cost in pints	\$29,794,568.92	\$29,794,568.92	\$0.00		
Interest Accrued	\$2,154,048,14	\$4,594,234.64	\$2,430,186.51		\$2,223,943.75
Less: interest pymts	\$0.00	(S2,223,787.10)	(\$2,223,787.10)		*-,,-
Net interest	\$2,164,048.14	\$2,370,447.54	\$206,399.40		***************************************
Outstanding Balance	\$31,958,617.06	\$32,165,016,46	\$206,399,40	(\$7,340,000,00)	\$24,825,016,46
Term A Principle Balance Lender Fee		\$30,030,000.00 \$160,000.00			
Term A Balance before Condition	onal Reduction	\$30,190,000.00			
Conditional Reduction	ocoucton	(\$5,558,927.29)			
Term A Balance After Condition	nal Reduction	\$24,531,072.71			
Outstaniding December Interes		\$193,943.75			
Total Outstanding		\$24,825,016.46			
-		THE REAL PROPERTY AND ADDRESS OF THE PERSON NAMED IN COLUMN TWO PERSONS AND PE			

### **EXECUTION VERSION**

### MEMBERSHIP INTEREST PURCHASE AGREEMENT

between

Village Voice Media Holdings, LLC

and

Voice Media Group, Inc.

dated as of

November 8, 2012

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### MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Membership Interest Purchase Agreement (this "Agreement"), dated as of November 8, 2012, is entered into between Village Voice Media Holdings, LLC, a Delaware limited liability company ("Seller") and Voice Media Group, Inc., a Colorado Corporation ("Buyer").

### RECITALS

WHEREAS, Seller owns all of the issued and outstanding membership interests (the "Interests"), of New Times Media, LLC, a Delaware limited liability company (the "Company"); and

WHEREAS, the Company directly or indirectly owns certain subsidiaries set forth on Schedule 1-A (the "Included Subsidiaries") which are engaged in the ownership, publication and distribution of alternative newspapers in print or online electronic versions (the "Newspaper Business");

WHEREAS, the assets which are exclusively used in the Newspaper Business will on the Closing Date be owned by the Company and/or its Included Subsidiaries;

WHEREAS, Seller also owns and operates an online classified advertisement business through backpage.com and bigcity.com, including without limitation, the related software engines and payment gateway solutions and all related technology, intellectual property and domain names related thereto and also owns certain other inactive entities listed on Schedule 1-B (the "Excluded Subsidiaries") (collectively, the "Excluded Business");

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller; all of Seller's right, title and interest in and to the Interests of the Company on the terms and conditions set forth herein;

WHEREAS, certain assets of the Company and/or its subsidiaries are used in or are reasonably necessary for the operations of both the Newspaper Business and the Excluded Business (the "Shared Assets");

WHEREAS, Seller and Buyer shall determine how to separate each of the Shared Assets on or prior to the Closing;

WHEREAS, prior to the Closing, Seller will: (A) transfer to one or more of its Affiliates (other than the Company and the Included Subsidiaries) (i) all assets and liabilities of the Company and/or its Included Subsidiaries that relate to or are used in the Excluded Business or to any other business of the Seller other than the Newspaper Business, including, without limitation, the Excluded Subsidiaries, and (ii) all cash of the Company and Subsidiaries other than as expressly set forth herein, and (B) transfer to the Company and the Included Subsidiaries certain assets (other than cash) and liabilities currently held by Seller or the Excluded Subsidiaries which exclusively relate or are exclusively used in the Newspaper Business;

### **EXECUTION VERSION**

### AMENDED AND RESTATED PROMISSORY NOTE

(UGC Foreign Operations)

(US) \$76,672,218.50

June 1, 2015

### NOTE:

THIS AMENDED AND RESTATED PROMISSORY NOTE AMENDS AND RESTATES IN ITS ENTIRETY AND REPLACES THAT PROMISSORY NOTE IN THE FACE AMOUNT OF \$77,005,592.50, DATED AS OF APRIL 22, 2015, EXECUTED BY MAKER FOR THE BENEFIT OF VERMILLION HOLDINGS, LLC AND SHEARWATER INVESTMENTS, LLC, COLLECTIVELY AS PAYEE (THE "PRIOR NOTE"). BORROWER HEREBY ACKNOWLEDGES AND AGREES THAT THE INDEBTEDNESS EVIDENCED BY THE PRIOR NOTE IS PART OF THE INDEBTEDNESS EVIDENCED BY THIS NOTE AND HAS NOT BEEN REPAID IN FULL OR EXTINGUISHED, AND THAT THE EXECUTION HEREOF DOES NOT CONSTITUTE A NOVATION OF THE PRIOR NOTE. MOREOVER, THIS NOTE SHALL BE ENTITLED TO ALL SECURITY AND COLLATERAL TO WHICH THE PRIOR NOTE IS ENTITLED WITHOUT CHANGE OR DIMINUTION IN THE PRIORITY OF ANY LIEN OR SECURITY INTEREST PREVIOUSLY GRANTED TO SECURE THE PRIOR NOTE.

To: SHEARWATER INVESTMENTS, LLC, a Delaware limited liability company

FOR VALUE RECEIVED, the undersigned, UGC TECH GROUP C.V., a Dutch limited partnership ("Maker") promises to pay to the order of Lender (together with all subsequent holders of this Note, "Payee"), by wire transfer pursuant to the wire instructions attached heretc as Schedule A, or such other place as Payee may from time to time designate in writing, the Principal (defined below), together with interest on the Principal calculated on a daily basis (based on a 360-day year) from the date of advance hereunder on the Principal balance from time to time outstanding, and all other sums payable hereunder. As used herein, the term "Principal" shall mean the amount of \$76,672,218.50, which represents the total of the multiple advances on the dates and for the purposes itemized on Schedule B attached hereto, less the principal reduction payment made by Maker under the Prior Note in the amount of \$500,000, which obligation is evidenced in the stated face amount of this Note. In addition to the Principal, the undersigned also promises to pay all other indebtedness, obligations and liabilities of Maker or any other Obligor to Payee, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of this Note, the Loan Agreement (defined below), the PSA Documents (defined below) or any other instruments or agreements executed and delivered pursuant to or in connection with any of the foregoing documents.

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Measurement Year as determined pursuant to an audit by a nationally recognized independent public accounting firm retained by Maker and reasonably acceptable to Payee.

G. The entire balance of this Note, including all Principal and interest, along with any other amounts payable hereunder, shall be due and payable on the earlier of the following ("Maturity"): (i) March 31, 2021, or (ii) acceleration upon an Event of Default.

All payments on this Note shall be applied first to the payment of any costs, fees or other charges incurred in connection with the Principal indebtedness evidenced hereby, next to the payment of accrued interest, if any, and then to the reduction of the Principal balance, or in such other manner and order as Payee, in its sole discretion, may elect.

This Note is a multiple advance note, with the Principal amount advanced (or deemed to be advanced) in the amounts and as of the dates set forth on Schedule B attached hereto. Maker shall have the option to prepay this Note, in full or in part, at any time without penalty. Unless Payee, in its sole discretion, elects another manner of application, any partial prepayments (i) shall be applied to the amounts owing on this Note in inverse order of maturity, and (ii) shall not give rise to any adjustment in the amount of, or any delay in the timing for payment of, the required monthly and quarterly payments under this Note. If Maker prepays in full all sums evidenced by this Note, other than the amount owing pursuant to any Additional Note (as defined in the Earn-Out Agreement), then Maker's obligation to pay the Additional Note in full shall thereafter be evidenced by the Additional Note, and Maker shall have no further payment obligations pursuant to paragraphs B through G above in this Note.

This Note is evidenced by, among other things, that Loan Agreement of even date herewith between Maker and Lender (the "Loan Agreement"), and is secured by, among other things, a Security Agreement of even date herewith between Maker, as debtor, and Lender, as secured party. This Note and the Loan Agreement evidence the financing of the purchase price and certain other obligations arising in connection with the closing of the transactions contemplated in that Purchase and Sale Agreement of on or about even date herewith between Maker, as buyer, and Payee, as seller (the "PSA"). The PSA, together with the Backpage License (as defined therein) and all other documents executed in connection with either the PSA or the Backpage License are referred to herein as the "PSA Documents"). Capitalized terms used, but not defined, herein shall have the meanings given to those terms in the Loan Agreement.

Time is of the essence of this Note. Upon the failure by Maker to pay any amount when due hereunder, or upon any Event of Default, as defined in the Loan Agreement, (i) the rate of interest hereunder shall increase to twelve percent (12%) per annum (the "Default Rate") until paid in full or until such Event of Default, if capable of being cured, is fully cured by Maker, and (ii) Payee may exercise any rights and remedies in such order and manner as Payee, in its sole discretion, shall determine. Maker shall pay all costs and expenses, including reasonable attorneys' fees and court costs, incurred in the collection or enforcement of all or any part of this Note. Failure of Payee to exercise any option hereunder shall not constitute a waiver of the right to exercise the same in the event of any subsequent default or in the event of the continuance of any existing default after demand for strict performance hereof.

DATED as of the date first written above.

UGC TECH GROUP C.V., a Dutch limited partnership

By: CF Holdings GP LLC, its sole general partner

Name Carl A. Ferrer

Title Chief Executive Officer

[Signature Page - Promissory Note (UGC Foreign Operations)] QB\156257.00002\35514090.7

### SCHEDULE B

### Principal Advance Dates and Amounts

[For purposes of payments owing on this Note, all advances of Principal shall be deemed to have occurred on the dates set forth below, regardless of the actual date of advance.]

Purpose/Nature of Advance	Date of Advance	Amount	
Original Note Amount (Base Purchase Price)	04/22/2015	\$77,005,592.50	
Costs incurred and paid prior to closing (Loan Agreement - Section 13.6)	06/01/2015	\$45,936.00	
Invoices	06/01/2015	\$23,281.00	
Quarles & Brady Invoice	06/30/2015	\$92,891.00	
Legal Costs - Canadian Counsel (Aird & Berlis)	06/01/2015	\$4,518.00	
Total Advanced Amount		\$77,172,218.50	
<u>Less:</u> Principal Payment made under Prior Note		\$500,000.00	50,000
Adjusted Note Balance:		\$76,672,218.50	*

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July 31, 2018,		
August 31, 2018, and	\$1,075,000	
September 30, 2018		
October 31, 2018,		
November 30, 2018, and	\$1,125,000	
December 31, 2018		
January 31, 2019,		
February 28, 2019, and	\$1,300,000	
March 31, 2019		
April 30, 2019,		
May 31, 2019, and	\$1,300,000	
June 30, 2019		
July 31, 2019,		
August 31, 2019, and	\$1,350,000	
September 30, 2019		
October 31, 2019,		
November 30, 2019, and	\$1,425,000	
December 31, 2019		
January 31, 2020,		
February 29, 2020, and	\$1,625,000	
March 31, 2020		
April 30, 2020,		
May 31, 2020, and	\$1,650,000	
June 30, 2020		
July 31, 2020,		
August 31, 2020, and	\$1,725,000	
September 30, 2020		
October 31, 2020,		
November 30, 2020, and	\$1,825,000	
December 31, 2020		
January 31, 2021 and	#2 000 000	
February 28, 2021	\$2,000,000	
	Note Balance	
March 31, 2021	Due in Full	

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### AMENDED AND RESTATED PROMISSORY NOTE

(Backpage US Operations)

(US) \$530,236,194.00

June 1, 2015

### NOTE:

THIS AMENDED AND RESTATED PROMISSORY NOTE AMENDS AND RESTATES IN ITS ENTIRETY AND REPLACES THAT PROMISSORY NOTE IN THE FACE AMOUNT OF \$525,700,000.00, DATED AS OF APRIL 22, 2015, EXECUTED BY MAKER FOR THE BENEFIT OF VERMILLION HOLDINGS, LLC AND SHEAKWATER INVESTMENTS, LLC, COLLECTIVELY AS PAYEE (THE "PRIOR NOTE"). BORROWER HEREBY ACKNOWLEDGES AND AGREES THAT THE INDEBTEDNESS EVIDENCED BY THE PRIOR NOTE IS PART OF THE INDEBTEDNESS EVIDENCED BY THIS NOTE AND HAS NOT BEEN REPAID IN FULL OR EXTINGUISHED, AND THAT THE EXECUTION HEREOF DOES NOT CONSTITUTE A NOVATION OF THE PRIOR NOTE. MOREOVER, THIS NOTE SHALL BE ENTITLED TO ALL SECURITY AND COLLATERAL TO WHICH THE PRIOR NOTE IS ENTITLED WITHOUT CHANGE OR DIMINUTION IN THE PRIORITY OF ANY LIEN OR SECURITY INTEREST PREVIOUSLY GRANTED TO SECURE THE PRIOR NOTE.

To: SHEARWATER INVESTMENTS, LLC, a Delaware limited liability company

FOR VALUE RECEIVED, the undersigned, ATLANTISCHE BEDRIJVEN C.V. (US translation - Atlantic Holdings C.V.), a Dutch limited partnership ("Maker") promises to pay to the order of Lender (together with all subsequent holders of this Note, "Payee"), by wire transfer pursuant to the wire instructions attached hereto as Schedule A, or such other place as Payee may from time to time designate in writing, the Principal (defined below), together with interest on the Principal calculated on a daily basis (based on a 360-day year) from the date of advance hereunder on the Principal balance from time to time outstanding, and all other sums payable hereunder. As used herein, the term "Principal" shall mean the amount of \$530,236,194.00, which represents the total of the multiple advances on the dates and for the purposes itemized on Schedule B attached hereto, less the principal reduction payment made by Maker under the Prior Note in the amount of \$5,437,500.00, which obligation is evidenced in the stated face amount of this Note. In addition to the Principal, the undersigned also promises to pay all other indebtedness, obligations and liabilities of Maker or any other Obligor to Payee, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of this Note, the Loan Agreement (defined below), the MIPA (defined below) or any other instruments or agreements executed and delivered pursuant to or in connection with any of the foregoing documents.

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Measurement Year as determined pursuant to an audit by a nationally recognized independent public accounting firm retained by Maker and reasonably acceptable to Payee.

G. The entire balance of this Note, including all Principal and interest, along with any other amounts payable hereunder, shall be due and payable on the earlier of the following ("Maturity"): (i) March 31, 2021, or (ii) acceleration upon an Event of Default.

All payments on this Note shall be applied first to the payment of any costs, fees or other charges incurred in connection with the Principal indebtedness evidenced hereby, next to the payment of accrued interest, if any, and then to the reduction of the Principal balance, or in such other manner and order as Payee, in its sole discretion, may elect.

This Note is a multiple advance note, with the Principal amount advanced (or deemed to be advanced) in the amounts and as of the dates set forth on Schedule B attached hereto. Maker shall have the option to prepay this Note, in full or in part, at any time without penalty. Unless Payee, in its sole discretion, elects another manner of application, any partial prepayments (i) shall be applied to the amounts owing on this Note in inverse order of maturity, and (ii) shall not give rise to any adjustment in the amount of, or any delay in the timing for payment of, the required monthly and quarterly payments under this Note. If Maker prepays in full all sums evidenced by this Note, other than the amount owing pursuant to any Additional Note (as defined in the Earn-Out Agreement), then Maker's obligation to pay the Additional Note in full shall thereafter be evidenced by the Additional Note, and Maker shall have no further payment obligations pursuant to paragraphs B through G above in this Note.

This Note is evidenced by, among other things, that Loan Agreement of even date herewith between Maker and Lender (the "Loan Agreement"), and is secured by, among other things, a Security Agreement of even date herewith between Maker, as debtor, and Lender, as secured party. This Note and the Loan Agreement evidence the financing of the purchase price and certain other obligations arising in connection with the closing of the transactions contemplated in that Membership Interest Purchase Agreement of on or about even date herewith between Maker, as buyer, and Payee, as seller (the "MIPA"). Capitalized terms used, but not defined, herein shall have the meanings given to those terms in the Loan Agreement.

Time is of the essence of this Note. Upon the failure by Maker to pay any amount when due hereunder, or upon any Event of Default, as defined in the Loan Agreement, (i) the rate of interest hereunder shall increase to twelve percent (12%) per annum (the "Default Rate") until paid in full or until such Event of Default, if capable of being cured, is fully cured by Maker, and (ii) Payee may exercise any rights and remedies in such order and manner as Payee, in its sole discretion, shall determine. Maker shall pay all costs and expenses, including reasonable attorneys' fees and court costs, incurred in the collection or enforcement of all or any part of this Note. Failure of Payee to exercise any option hereunder shall not constitute a waiver of the right to exercise the same in the event of any subsequent default or in the event of the continuance of any existing default after demand for strict performance hereof.

Each party that is a Maker hereunder: (a) agrees to be jointly and severally bound, (b) waives demand, diligence, presentment for payment, protest and demand, and notice of extension, dishonor, protest, demand and nonpayment of this Note, (c) consents that Payee may

DATED as of the date first written above.

 $\Lambda TLANTISCHE$  BEDRIJVEN C.V., a Dutch limited partnership

By: Kickapoo River Investments LLC, its sole general partner

Ву:

Name: Carl A. Ferrer

Title:

Chief Executive Officer

(Backpage US Operations)]

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### SCHEDULE B

### Principal Advance Dates and Amounts

[For purposes of payments owing on this Note, all advances of Principal shall be deemed to have occurred on the dates set forth below, regardless of the actual date of advance.]

Purpose/Nature of Advance	Date of Advance	Amount
Original Note Amount (Base Purchase Price)	04/22/2015	\$525,700,000
Working Capital Adjustment (MIPA - Sec. 2.1)	06/01/2015	\$8,867,019
Costs incurred and paid prior to closing (Loan Agreement - Sec 13.6)	06/01/2015	\$313,594
Invoices	06/01/2015	\$158,931
Quarles & Brady Invoice	06/30/2015	\$634,149
Total Advanced Amount		\$535,673,694
<u>Less</u> : Principal Payment made under Prior Note	5/31/15 Payment.	\$5,437,500
Adjusted Note Balance:	•	\$530,236,194

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July 31, 2018,	
August 31, 2018, and	\$7,450,000
September 30, 2018	
October 31, 2018,	
November 30, 2018, and	\$7,850,000
December 31, 2018	
January 31, 2019,	
February 28, 2019, and	\$8,100,000
March 31, 2019	
April 30, 2019,	
May 31, 2019, and	\$8,250,000
June 30, 2019	
July 31, 2019,	
August 31, 2019, and	\$8,400,000
September 30, 2019	
October 31, 2019,	
November 30, 2019, and	\$9,000,000
December 31, 2019	
January 31, 2020,	
February 29, 2020, and	\$9,350,000
March 31, 2020	
April 30, 2020,	
May 31, 2020, and	\$9,350,000
June 30, 2020	
July 31, 2020,	
August 31, 2020, and	\$9,750,000
September 30, 2020	
October 31, 2020,	
November 30, 2020, and	\$10,500,000
December 31, 2020	
January 31, 2021 and	\$10,800,000
February 28, 2021	\$10,000,000
	Note Balance
March 31, 2021	Due in Full

### AGREEMENT AND PLAN OF RECAPITALIZATION

THIS AGREEMENT AND PLAN OF RECAPITALIZATION (the "Agreement"), dated as of the 12th day of February, 2015 (the "Effective Date"), is entered into by and among Medalist Holdings, Inc., a Delaware corporation (the "Company"), Michael G. Lacey ("Lacey"), James A. Larkin ("Larkin"), James A. Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 f/b/o Ramon Larkin ("Ramon Larkin Trust"), James A. Larkin as Trustee of the Trust dated April 1, 1998, u/i/t dated April 1, 1993 f/b/o Troy Larkin ("Troy Larkin Trust"), John E. Brunst ("Brunst") and Scott G. Spear ("Spear") collectively referred to as "Shareholders," and Lacey, Larkin, Ramon Larkin Trust, Troy Larkin Trust, Brunst and Spear are individually referred to as "Shareholder."

### RECITALS:

- A. Pursuant to that certain Voting Trust Agreement which is dated November 18, 2002 ("Voting Trust Agreement") Larkin and Lacey, as Trustees ("Voting Trustees"), hold the number of issued and outstanding shares of the Company's Common Voting Stock, no par value ("Common Voting Stock") on behalf of the Shareholders as is set forth opposite their respective names on the attached Exhibit A, and the Shareholders hold Voting Trust Certificates for such shares as provided in the Voting Trust Agreement.
- B. Shareholders desire to (i) amend the Company's Certificate of Incorporation pursuant to a Certificate of Amendment in the form attached hereto as Exhibit B (the "Certificate of Amendment"), and (ii) engage in a reverse stock split and recapitalization whereby they will exchange their existing shares of Common Voting Stock for a combination of shares of Common Voting Stock and shares of the Company's Common Nonvoting Stock, no par value, to be authorized pursuant to the Certificate of Amendment ("Common Nonvoting Stock").
- C. Shareholders intend that the exchange of their shares as provided herein will be tax-free to them under Sections 354 and 1036 of the Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Reverse Split and Recapitalization. As of February 18, 2015 (the "Closing Date"), (i) the Company shall cause the Certificate of Amendment to be filed with the Delaware Secretary of State (and in any other offices in which the Certificate of Amendment must be filed to become effective and to permit the consummation of the transactions contemplated by this Agreement), (ii) the Common Voting Stock held by the Voting Trustees as reflected in Exhibit A shall be deemed to be surrendered to the Company and cancelled, (iii) the Company shall issue, in exchange for the Shareholders' existing shares of Common Voting Stock, to the Voting Trustees on behalf of the

Shareholders one-thousandth (1/1000) share of Common Voting Stock and to the Shareholders ninety-nine thousandths (99/1000) shares of Common Nonvoting Stock for each share of Common Voting Stock exchanged, and (iv) the Voting Trustees shall issue to the Shareholders Voting Trust Certificates relating to the newly issued Common Voting Stock. The exchange by Shareholders of their shares as provided herein is intended to be a "reorganization" within the meaning of Section 368(a)(1)(E) of the Code, and this Agreement is intended to constitute a "plan of reorganization" for purposes of the regulations under Section 368 of the Code. All newly issued Common Voting Stock shall be subject to the provisions of the Voting Trust Agreement and all newly issued Common Voting Stock and Common Nonvoting Stock shall be subject to the provisions of the Amended and Restated Stock Restriction Agreement dated October 3, 2013 ("Stock Restriction Agreement"). Further, the newly issued shares of Common Voting Stock and Common Nonvoting Stock issued to Larkin, Lacey, the Ramon Larkin Trust and the Troy Larkin Trust shall also be subject to the provisions of the Buy-Sell Agreement dated September 30, 2013 ("Buy-Sell Agreement").

- 2. Approval of the Reverse Split and Recapitalization. The Shareholders hereby approve the reverse stock split and the recapitalization as set forth in Paragraph 1 above including the exchange of shares as set forth therein. Before the Closing Date, the Directors of the Company, shall approve (i) the filing of the Certificate of Amendment, and (ii) the issuance by the Company of the shares of Common Voting Stock and Common Nonvoting Stock to be issued pursuant to Paragraph 1 above.
- 3. <u>Legend on Certificates</u>. Upon issuance, the certificates representing the shares of Common Nonvoting Stock and Common Voting Stock (and all securities issued in respect of such securities or in exchange therefor or substitution thereof) shall bear legends as required by the provisions of the Voting Trust Agreement, the Stock Restriction Agreement and the Buy-Sell Agreement, as applicable.
- 4. <u>Binding Agreement</u>. This Agreement shall be binding upon and inure to the benefit of the heirs, executors and assigns of the parties.
- 5. <u>Governing Law.</u> This Agreement shall be governed by the laws of the State of Delaware.

SHAREHOLDERS:

Michael G. Lace

James\A. Larkin

CORPORATION:

MEDALIST HOLDINGS INC a Delaware corporation

By: James Al Larkin, CEO

2

The Trust dated April 1, 1998
u/i/t dated April 1, 1993 f/b/o
Ramon Larkin

By
James A. Larkin, Trustee

The Trust dated April 1, 1998
u/i/t dated April 1, 1993 f/b/o
Troy Larkin

By
James A. Larkin, Trustee

Agreement and Plan of Recapitalization(v5).wptl

Scott G. Spear

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### Ownership of Medalist Holdings, Inc.

Stockholder Name	Shares Owned	Percentages Owned (rounded)
Michael G. Lacey	1,640,289.20	45.12%
James A. Larkin	1,554,441.00	42.76%
J. Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 fbo Ramon Larkin	42,923.90	1.18%
J. Larkin as Trustee of the Trust dated April 1, 1998 u/i/t dated April 1, 1993 fbo Troy Larkin	42,923.90	1.18%
John E. Brunst	205,951.00	5.67%
Scott Spear	148,820.00	<u>4.09%</u>
Totals:	3,635,349.00	100.0%

	Current	Ownership		Re Cap		Ownership
	Shares	%	Voting	Non Voting	Total	<u>%</u>
Larkin	1,554,441.20	0.42759064	1,554.4412	153,889.6788	155,444.1200	0.42759064
Lacey	1,640,289.00	0.45120537	1,640.2890	162,388.6110	164,028.9000	0.45120537
Spear	148,820.00	0.04093692	148.8200	14,733.1800	14,882.0000	0.04093692
Brunst	205,951.00	0.05665233	205.9510	20,389.1490	20,595.1000	0.05665233
T Larkin	42,923.90	0.01180737	42.9239	4,249.4661	4,292.3900	0.01180737
R Larkin	42,923.90	0.01180737	42.9239	4,249.4661	4,292.3900	0.01180737
	3,635,349,00	1.0000	3.635.3490	359.899.5510	363.534.9000	1.0000

### **EXHIBIT B**

## STATE OF DELAWARE CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That pursuant to unanimous written consent of the Board of Directors of

MEDALIST HOLDINGS, INC.

resolutions were duty adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolutions setting forth the proposed amendment are as follows:

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "FOURTH" so that, as amended, said Article shall be and read as follows:

FOURTH. The aggregate number of shares of capital stock that the Corporation shall have the authority to issue is 5000 shares of common voting stock, no par value and 500,000 shares of common nonvoting stock, no par value.

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by adding Article numbered "ELEVENTH" so that said Article shall be and read as follows:

ELEVENTH. Reverse Split. Simultaneously with the effective date of this Amendment (the "Effective Date") each one (1) share of the corporation's Common Voting Stock, no par value, issued and outstanding immediately prior to the Effective Date (the "Common Voting Stock") shall be automatically and without any action on the part of the holder thereof, be reclassified as and changed, pursuant to a reverse stock split ("the Reverse Split") and recapitalization into one-thousandth (1/1000) share of the corporation's Common Voting Stock and ninety-nine thousandths (99/1000) shares of the corporation's Common Nonvoting Stock (the "Common Nonvoting Stock"). Each holder of a certificate or certificates which immediately prior to the Effective Date represented outstanding shares of Common Voting Stock shall be entitled to receive upon cancellation of such outstanding shares, a certificate or certificates representing the number of shares, including fractional

shares, of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the Common Voting Stock so cancelled are reclassified under the terms hereof. From and after the Effective Date, all newly issued certificates shall thereupon be deemed for all corporate purposes to evidence ownership of the corporation's stock in the appropriately reduced number of shares. From and after the Effective Date, the amount of capital shall be represented by the outstanding shares of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the previously held Common Voting Stock are reclassified, until thereafter reduced or increased in accordance with applicable law.

**SECOND:** That thereafter, pursuant to resolution of its Board of Directors and in accordance with Section 228 of the General Corporation Law of the State of Delaware, stockholders holding the necessary number of shares as required by statute executed written consents in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

**IN WITNESS WHEREOF**, said corporation has caused this certificate to be signed this ______ day of February, 2015.

MEDALIST HOLDINGS, INC., a Delaware corporation

(1) (1)

## STATE OF DELAWARE CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That pursuant to unanimous written consent of the Board of Directors of

### MEDALIST HOLDINGS, INC.

resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolutions setting forth the proposed amendment are as follows:

**RESOLVED**, that the Certificate of incorporation of this corporation be amended by changing the Article thereof numbered "FOURTH" so that, as amended, said Article shall be and read as follows:

FOURTH. The aggregate number of shares of capital stock that the Corporation shall have the authority to issue is 5000 shares of common voting stock, no par value and 500,000 shares of common nonvoting stock, no par value.

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by adding Article numbered "ELEVENTH" so that said Article shall be and read as follows:

ELEVENTH. Reverse Split. Simultaneously with the effective date of this Amendment (the "Effective Date") each one (1) share of the corporation's Common Voting Stock, no par value, issued and outstanding immediately prior to the Effective Date (the "Common Voting Stock") shall be automatically and without any action on the part of the holder thereof, be reclassified as and changed, pursuant to a reverse stock split ("the Reverse Split") and recapitalization into one-thousandth (1/1000) share of the corporation's Common Voting Stock and ninety-nine thousandths (99/1000) shares of the corporation's Common Nonvoting Stock (the "Common Nonvoting Stock"). Each holder of a certificate or certificates which immediately prior to the Effective Date represented outstanding shares of Common Voting Stock shall be entitled to receive upon cancellation of such outstanding shares, a certificate or certificates representing the number of shares, including fractional shares, of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the Common Voting Stock so cancelled are reclassified under the

terms hereof. From and after the Effective Date, all newly issued certificates shall thereupon be deemed for all corporate purposes to evidence ownership of the corporation's stock in the appropriately reduced number of shares. From and after the Effective Date, the amount of capital shall be represented by the outstanding shares of the Common Voting Stock and Common Nonvoting Stock into which and for which the shares of the previously held Common Voting Stock are reclassified, until thereafter reduced or increased in accordance with applicable law.

**SECOND:** That thereafter, pursuant to resolution of its Board of Directors and in accordance with Section 228 of the General Corporation Law of the State of Delaware, stockholders holding the necessary number of shares as required by statute executed written consents in favor of the amendment.

**THIRD:** That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

in WITNESS WHEREOF, said corporation has caused this certificate to be signed this _______ day of February, 2015.

MEDALIST HOLDINGS, INC., a Delaware comporation

7/1/

By C

John E Brunst, Vice President/CEO

# MEDALIST HOLDINGS, INC. ACTION BY UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS IN LIEU OF SPECIAL MEETING

### February 12, 2015

The undersigned, constituting all of the Directors of Medalist Holdings, Inc., a Delaware corporation, hereby unanimously consent to the adoption of the following resolutions without the formality of convening a special meeting of the Board of Directors, for and as the actions of this Corporation, as of the date set forth above:

WHEREAS, the Board of Directors has discussed a Plan of Recapitalization for the Corporation and an Amendment to the Certificate of Incorporation, and

WHEREAS, the Board of Directors has reviewed a proposed Amendment to the Certificate of Incorporation to provide for voting and nonvoting stock, a reverse stock split and a Plan of Recapitalization, it was

RESOLVED, that the Amendment to the Certificate of Incorporation providing for voting and nonvoting shares of the Corporation's common stock and a reverse stock split is hereby approved and adopted and the officers of the Corporation are hereby authorized to execute said Amendment and file same with the Delaware Secretary of State; and

RESOLVED, that the proposed Agreement and Plan of Recapitalization between the Corporation and the Stockholders, as presented by the Board, is hereby approved and adopted and that said Agreement and Plan of Recapitalization be submitted to a vote of the Stockholders of this Corporation; and

FURTHER RESOLVED, that upon the approval of said Agreement and Plan of Recapitalization by the Stockholders and pursuant to such Agreement and Plan of Recapitalization, the Corporation issue voting and nonvoting shares of stock to its present Stockholders, as provided in such Agreement and Plan of Recapitalization; and

FURTHER RESOLVED, that the Chief Financial Officer of the Corporation, is authorized and directed for and on behalf of this Corporation to execute the Agreement and Plan of Recapitalization and to obtain the necessary signatures of all the Stockholders thereon. A copy of said Agreement and Plan of Recapitalization is directed to be attached to this resolution and placed in the corporate record book.

FURTHER RESOLVED, that the officers of this Corporation be, and they hereby are, authorized and directed to deliver any and all instruments and to take any and all actions as may be necessary to carry out said Agreement and Plan of Recapitalization.

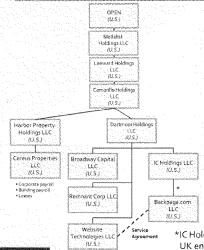
Michael G. Lacey

James A. Larkin

IP Migration Using a Dutch CV-BV Structure
Peasibility, Projected Costs and Benefits,
and Next Steps

Backpage.com

## Current Structure and Objectives

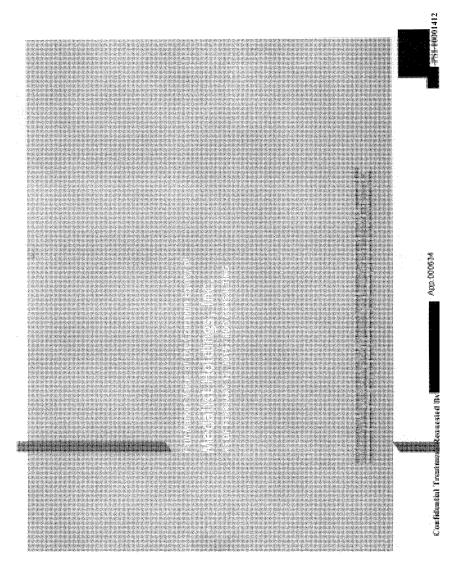


### Objectives

- Create an international business structure
   that aligns Backpage's tax and finance
   considerations with its operational goals
   to support future global growth.
- Implement the IP Migration within a reasonable time frame in Fall 2013.
- Maintain an acceptable tax risk profile.

### **Key Considerations**

- Ultimate investors are S Corporations and U.S. individuals.
- Should maintain or enhance a possible future sale of all or a part of the Backpage.com business.
- *IC Holdings also holds a recently formed UK entity that is currently dormant.



Private & Confidential May 13, 2015

Jed Brunst Chief Financial Officer Medalist Holdings, Inc. 8776 East Shea Boulevard, Suite 106-617 Scottsdale, AZ 85260

#### Dear Mr. Brunst:

At your request, was retained to assist with estimating the fair market value of the common stock (the "Subject Interest") of Medalist Holdings, Inc. ("Medalist", or the "Company"), as of February 12, 2015 (the "Valuation Date") on a minority, non-marketable interest basis. As part of the analysis, we also determined the price per share with respect to voting and non-voting rights of the Subject Interest.

We understand that the valuation is required to provide an independent fair market value analysis of the Subject Interest for tax planning purposes. No other use is intended or should be inferred.

A summary of the valuation analysis is presented in the accompanying report, as well as the description of the methodologies and procedures we used, and the factors we considered in formulating our opinion. In addition, we have listed the sources of information used in this report and the scope of work in the course of our investigation, noting any limitations on our opinion.

This report is subject to the attached limiting conditions and to all terms and conditions in our engagement letter (the "Agreement") for this assignment.

Based on our analysis, it is our opinion that the estimated fair market value of the common equity on a minority, non-marketable interest basis, is reasonably represented as follows:

### \$430,756,400

FOUR HUNDRED THIRTY MILLION, SEVEN HUNDRED FIFTY-SIX
THOUSAND, FOUR HUNDRED DOLLARS

OR

\$1,184.9 Per Share Voting

AND

\$1,149.4 Per Share Non-Voting



PS1-00001413

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As part of our analysis, we also considered the anticipated transaction of Dartmoor Holdings, LLC ("Dartmoor") which holds 100 percent interest in the following entities: Backpage.com, LLC; Website Technologies, LLC; IC Holdings, LLC; Payment Solutions, B.V.; Classified Solutions, Ltd., Postfaster, LLC; Classified Strategies Cooperatief U.A.; and Posting Solutions, LLC. Management also indicated that the only operating entity is Backpage.com.

Based on the non-binding letter of intent, the anticipated purchase consideration of approximately \$600.0 million (subject to working capital adjustments as of the closing date) will be structured as a 6-year term loan. The financing will be provided by the Company for the full amount of the purchase consideration. We also understand that the consideration might include an earn-out provision based on the achievement of certain future performance milestones. However, we understand that the exact terms of the transaction and the amount of the consideration were not finalized as of the Valuation Date.

Given that the anticipated transaction is between the Company and its existing employee (or a related party) where the Company will be providing financing for the full amount of the purchase price, it would not be classified as an arm's length transaction for purposes of the fair market value analysis. Based on these factors we did not assign any weighting to the potential Dartmoor transaction.

### CONCLUSION OF VALUE

Our conclusion of fair market value of the Subject Interest is based upon considering all indications of value under the Income and Market Approaches. While the Income Approach best represents management's expectations related to forecasted company's revenues and profits, market based indicators of value represent how actual buyers and sellers arrive at overall value. However, it should be noted that the primary constraint of the GPC and GMAC Methods is the differences that exist between the business operations of Medalist compared to the guideline companies and the target companies in the guideline M&A transactions.

Considering the above factors, we applied 80.0 percent weighting to the value indication under the DCF Method, as we believe Management has the most insight into the future direction of the business. Both the GPC Method and the GMAC Method were assigned a weighting of 10.0 percent.

To derive a fair market value of common equity, we added cash and cash equivalents of \$11.4 million and non-operating assets related to the long-term note receivable of approximately \$28.0 million. Medalist did not have any interest bearing debt as of the Valuation Date.

#### Discount for Lack of Control

One especially important consideration in the valuation of an interest in an enterprise is the right to influence or determine certain actions of the business. Control is important because of the right to determine actions that impact the risk associated with an investment. For instance, the owner of a controlling interest in an enterprise enjoys valuable rights including the ability to affect



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Corporate Expense.

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Say Inc.	17,902,000	eBay Inc.	45.132.000	Ziliow Group, Inc.	65.0%	Yelp, Inc.	53.7%
AC/InterActiveCorp	3,109,547	tAC /interactiveCorp	4.274,878	Yelp, loc.	62.0%	Zillow Graup, Inc.	39 46
lonster Worldwide, Inc.	770.013	Monster Worldwide, Inc.	1,217,151	MedaBat Holdings, Inc.	19.8%	Medalist Holdings, inc	14.0%
etp. Inc.	377.536	Zittow Group, Inc.	649.730	eBay (nc.	11.6%	IAC / InteractiveCorp	6,3%
How Group, Inc.	325,893	Yelp, luc.	629.650	IAC /InteractiveCorp	2.6%	eBay Inc.	6.75
edalist Holdings, Inc	137,420	Medalist Holdings, Inc.	54,157	Monster Worldwide, Inc.	4.75	Local Corporation	2.75
ocat Corporation	83,120	Local Corporation	38,068	Local Corporation	74.14	Monster Worldwide, Inc.	1.1%
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cip. Inc.	6.53	TAC / InteractiveCare	15.9%	Zitlow Group, Inc.	÷6.35	ebay inc.	1.51
tlow Group, Inc.	10.0	Manster Worldwide, Inc.	15.2%	IAC/InterActiveCorp	K. 89	Monster Worldwide, Inc.	0.98
ocal Corporation	2.5%	Local Corporation	3.0%	Monster Worldwide, Inc.	-12.25	Local Corporation	0.65
uideline Public Company Average	11.0		17.2%		-4.65		4.33

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### DUFF&PHELPS

## Backpage.com, LLC

## backpage.com,

## Confidential Information Memorandum June 2011

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### Confidential Information Memorandum

Duff & Phelps Securities, LLC ("Duff & Phelps") has been retained by Seckpage.com, LLC ("Beokpage" or the "Company") to serve as its exclusive financial advisor in connection with the potential sele (the "Transaction").

This Confidential Information Memorandum ("Memorandum") is based on information provided by Backpage. It is being delivered on behalf of the Company by Duff & Phelps to a limited number of parties who may be interested in pursuing a Transaction with the Company. The sole purpose of this Memorandum is to assist the recipient in deciding whether to proceed with a further investigation of the Company in accordance with procedures established by the Company and Duff & Phelps. This Memorandum does not purport to be all-inclusive or to necessarily contain all the information that a prospective investor may desire in investigating the Company. As a result, any prospective investor must rely solely on its own due diligence review and analysis of the Company, its business, its financial information, and its future prospects. This Memorandum contains certain projections and forward-looking statements. Such projections and statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially because of factors discussed throughout the document.

A Confidentiality Agreement previously executed by the recipient of this Memorandum governs this Memorandum and other documents, materials and information relating to the Company. Unless otherwise provided for in said Confidentiality Agreement, the recipient, by acceptance of this Memorandum, agrees that it will not distribute this Memorandum to others, in whole or in part, at any time without the prior written consent of the Company. It also agrees that all information contained herein or made available in connection with any further investigation will be kept permanently confidential. Upon request, the recipient will promptly return or destroy all material received from the Company or Duff & Phelps (including this Memorandum) without retaining any copies thereof, all in accordance with such Confidentiality Agreement. Any inconsistencies between the terms of this Memorandum and the terms of the Confidentiality Agreement shall be resolved and governed by the terms of the Confidentiality Agreement.

This Memorandum has been prepared for informational purposes relating to the Transaction upon the express understanding that it will only be used for the purposes set forth above. Duff & Phelps and the Company each expressly disclaim any and all liability for the accuracy of the information contained in or from omissions in this Memorandum or any other written or oral communication transmitted or made available by the Company, its representatives, or Duff & Phelps. Furthermore, the information contained herein is as of the date hereof, or as of any earlier date described herein. Duff & Phelps and the Company each expressly disclaim the obligation to supplement or update any of the information contained in this Memorandum or any other written or roal communication transmitted or made at aliable by the Company, its representatives, or Duff & Phelps. Duff & Phelps has not independently verified such information and has not made an independent appraisal of any assets of the Company. The recipient shall be entitled to rely solely on the representations and warranties made to it by the Company in any final arresement.

In furnishing this Memorandum, neither the Company nor Duff & Phelps undertakes any obligation to provide the recipient with access to any additional information. This Memorandum shall not be deemed an indication of the state of affairs of the Company nor shall it constitute an indication that there has been no change in the business or affairs of the Company since the date hereof.

All communications, inquiries and requests for information relating to these materials should be addressed to the Duff & Phelps persons listed below, as representatives of the Company. The management of the Company should not be contacted directly.



Duff & Phelps | Backpage.com, LLC

CONFIDENTIAL 2

### Confidential Information Memorandum

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Section 1

## **Executive Summary**

#### 1. Executive Summary

#### **Business Overview**

#### Backpage Quick Facts:

- * Created: 2003
- « Employees: 73
- Average monthly traffic: Unique users: 34 million

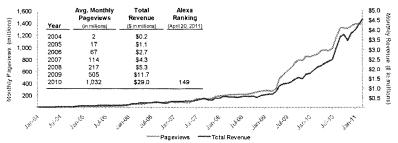
  - Visits: 75 million
- Pageviews: 1.3 billion × FY2011P gross revenue: \$50.3 million
- × FY2011P EBITDA¹: \$36.5 million

Backpage.com ("Backpage" or the "Company") is the second largest general classified internet site in the world, covering nearly 450 local city sites in the US, Canada, Mexico and the Caribbean. On a monthly basis, the site currently receives over 34 million unique Backpage viewers, generating 75 million total visits and approximately 1.4 billion pageviews². The Company is currently ranked by Alexa Internet, a website that collects and analyzes internet browsing and traffic behavior, as the 149th most visited in the U.S. Backpage contains approximately 2.1 million ads in 10 major categories and 85 subcategories such as employment, rentals, real estate, buy/sell/trade and automotive. Advertisers on Backpage post nearly 550,000 new ads per week.

Backpage provides the forum and technology for an advertiser to create, edit, and pay for their ad all without any human interface. Unlike its major competitors, Backpage actively focuses its efforts on category development, multi-layer content moderation, and user satisfaction, in addition to driving growth in site traffic. By providing a valuable user experience, the Company has realized exponential organic growth since inception.

Because ad content on Backpage is entirely user-generated, the Company operates a highly profitable and scalable platform, which requires minimal investment to facilitate growth. In the last twelve months ("LTM") ended April 2011, Backpage generated nearly \$27.0 million in EBITDA on \$38.8 million in gross revenue. This financial success enables Backpage to leverage its significant presence in traffic, users, and content to drive growth in key categories, both organically and by geographic expansion. The Company projects to achieve FY2011 gross revenue and EBITDA of \$50.3 million and \$36.5 million, respectively.

#### Monthly Pageviews and Total Revenue January 2004 - March 2011



¹ Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA")
² Google Analytics

Duff & Phelps | Backpage.com, LLC

#### Monetization Opportunity

Currently, the largest ad categories by volume are Automotive and Services, representing a combined 58.6% of total ads. However, due to the high degree of monetization in the category, the Adult section generates the majority of revenue from paid ads. Adult ads represented 15.5% of total ad volume as of April 30, 2011, yet comprise 93.4% of average weekly paid ad revenue for the seven weeks ended April 11, 2011.

Total Ad Volume and Revenue by Category

Total Ad Count (Paid and Free)

	Total Ad Count (Paid	i and Free)	Average Weekly Paid A	d Net Revenue	
	As of April 30	2011	For the Seven Weeks Ended Apr 11, 20		
Category	#	%	\$	%	
Automotive	757,777	36.89%	\$1,066	0.11%	
Services	444,924	21.66%	40,878	4.06%	
Adult	318,197	15.49%	940,249	93.40%	
Real Estate	179,404	8.73%	2,134	0.21%	
Buy/Sell/Trade	178,439	8.69%	7,581	0.75%	
Rentals	82,468	4.02%	2,665	0.26%	
Community	36,958	1.80%	1,789	0.18%	
Musician	21,603	1.05%	722	0.07%	
Jobs	18,185	0.89%	5,094	0.51%	
Personals	15,984	0.78%	4,561	0.45%	
Total	2,053,939	100.00%	\$1,006,739	100.00%	

Backpage possesses a unique opportunity to leverage billions of pageviews into substantial growth. In comparison to other sites whose revenue is driven by site traffic, Backpage's 1.4 billion pageviews in March 2011 are significantly under-monetized. With greater monetization of the Jobs, Rentals, Services, and other key categories, the Company can both enhance its profit potential and increase the diversity of its revenue streams.

#### Backpage Monetization Comparison

	FY10 Avg. Monthly Revenue (\$ in millions)	March 2011 Pageviews (millions)	Revenue per Pageview
Newegg.com	\$190.8	102.2	\$1.8672
Priceline.com	\$257.1	197.4	\$1.3021
Amazon.com	\$2,850.3	3,011.2	\$0.9466
Apartments.com	\$16.1	23.1	\$0,6980
Expedia.com	\$279.0	440.4	\$0,6335
Orbitz.com	\$63.1	119.7	\$0.5274
HomeAway.com	\$14.0	32.9	\$0.4247
Angieslist.com	\$4.8	12.1	\$0.4005
Monster.com	\$76.2	270.8	\$0.2813
Shutterfly.com	\$25.6	119.8	\$0.2140
Kayak.com	\$14.2	67.5	\$0.2109
Careerbuilder.com	\$46.3	343.5	\$0.1349
Google.com	\$2,443.4	25,603.3	\$0.0954
eBay Inc.	\$763.0	9,426.9	\$0.0809
FriendFinder Networks	\$28.8	607.2	\$0.0475
AOL.com	\$201.4	4,574.7	\$0.0440
Linkedin.com	\$20,3	512.2	\$0.0395
Pandora.com	\$11.5	410.7	\$0.0280
Yahoo.com	\$495.2	20,673.2	\$0.0240
Ancestry.com	\$25.1	1,429.0	\$0.0175
Zillow.com	\$2.5	161.9	\$0.0157
Snagajob.com	\$1.8	160.9	\$0.0113
Backpage.com	\$2.5	1,376.3	\$0,0018

Sources: CapitalQ, Compete.com, Google Analytics, management estimate

#### 1. Executive Summary

#### Investment Considerations Summary

The following key investment considerations are highlighted in greater detail in Section 2.

- Defensible Market Position
- · Highly Scalable Platform and Superior Economic Model
- * Readily Achievable Growth Opportunities
- * Strong Financial Performance
- Leader in User Experience
- * Seasoned Management Team
- Proactive Regulatory Philosophy

#### Financial Summary

Backpage's highly scalable operating platform has allowed the Company to enhance EBITDA margins from 61.1% to 68.3% between FY08 and FY10. During FY10, the Company generated \$29.9 million and \$20.5 million of gross revenue and EBITDA, respectively. Backpage projects to achieve \$36.5 million of EBITDA on \$50.3 million of gross revenue in FY11, representing CAGRs of 124.0% and 111.6%, respectively, since FY08.

#### Key Financial Results: FY2008 -- FY2011P

(\$000s) FY Ending December 31.	FY08	FY09	FY10	LTM Apr-11	Projected FY11
F1 Eliang December 31,	1 100	1100		1,91,11	
Gross Revenue	\$5,308	\$11,665	\$29,948	\$38,761	\$50,296
YoY Growth %	N/A	119.7%	156.7%	133.7%	67.9%
EBITDA	\$3,245	\$8,032	\$20,452	\$26,952	\$36,454
EBITDA Margin (% of Gross Revenue)	61.1%	68.9%	68.3%	69.5%	72.5%

1	Executive	Summary
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#### Transaction Overview

The Company, at the request of Village Voice Media Holdings, LLC ("VVMH"), has retained Duff & Phelps to explore strategic alternatives, including a sale or management buyout to effect a carve out. VVMH recognizes that the Company has several significant growth opportunities and believes Backpage would be better served by allowing it to focus its resources on these opportunities as a standalone entity.

On behalf of the Company, Duff & Phelps intends to solicit preliminary, non-binding indications of interest from selected parties interested in pursuing a transaction. The Company, together with Duff & Phelps, will evaluate each proposal and invite a limited number of parties to proceed with further due diligence, including discussions with the executive management team ("Management"). Any interested parties should assume that they will be able to step up assets for tax purposes through the contemplated transaction.

Section 2

# Investment Considerations

#### 2. Investment Considerations

#### Defensible Market Position

Backpage operates the second largest online general classified advertising platform in the world in terms of site traffic. Having received over 12.4 billion pageviews in 2010, the Company has succeeded in building a strong, defensible position within the market. By focusing on category development, user experience, and site efficiency. Backpage has become a market leader in the online classified industry and is quickly gaining market share from primary competitor Craigslist and other competitors in key categories such as Automotive, Jobs, Rentals, Adult, Services, and Real Estate.

#### Alexa Traffic Ranking Comparison

As of April 20, 2011	Category	U.S. Ranking	Global Ranking	Pageviews per User	Avg. Time Spent on Site (minutes)
craigslist.org	General Classified	10	36	23.6	14.0
linkedin.com	Jobs	12	17	9,6	7.6
careerbuilder.com	Jobs	114	543	6.6	6,6
manster.com	Jobs	122	537	5.8	5.7
zillow.com	Real Estate	136	676	5.1	7.4
backpage.com	General Classified	149	680	38.2*	10.5
realtor.com	Real Estate	169	887	6.7	10.0
adultfriendfinder.com	Adult	199	226	7.1	6.7
yellowpages.com	General Search	201	852	3.4	3.2
trulia.com	Real Estate	212	1,012	6.5	6.9
autotrader.com	Automotive	263	1,098	12.3	10.8
ebayclassifieds.com	General Classified	692	2,610	5.3	4.3
codle.com	General Classified	792	2,731	3.6	3.5
angieslist.com	Services	963	5,403	4.4	4.2
rent.com	Rentals	1,079	5,116	6.6	5.8
olx.com	General Classified	1,781	3,864	3.4	3.1
apartmentguide.com	Rentals	1,803	9,543	4.0	4.6
apartments.com	Rentals	1,857	8,100	5.7	5.8
forrent.com	Rentals	1,914	9,640	4.5	6.5
cityvibe.com	Adult	2,189	11,287	8.4	4.9
vehix.com	Automotive	5,632	25,976	6.8	5.1
eros.com	Adult	6,461	43,926	1.4	0.8

Source: Alexa.com, three-month average

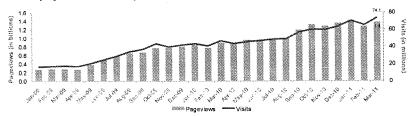
*Source: Google Analytics

Due to its focus on user experience, the Company is among the market leaders in both pageviews per user and average time spent on the site. Additionally, total site traffic has increased substantially in the past two years, with monthly pageviews increasing from 272 million in January 2009 to 1.3 billion in December 2010, representing growth of over 365.0%. As a result of greater site traffic, Backpage's total ad postings (paid and free) have increased 18.5% between FY09 and FY10, from 29.7 million to 35.2 million, respectively. In the last two years, Backpage has further increased its online presence, growing the number of North American cities in which it operates from nearly 250 in June 2009 to nearly 450 in March 2011.

#### 2. Investment Considerations

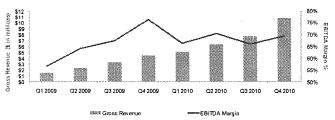
The Company's defensible position in the marketplace has created significant barriers for lesser players in the online classifieds space. As the 149th most visited site the U.S., Backpage has leveraged its scale to create an imposing market position, making it difficult for competitors to generate the critical mass necessary to realize significant growth.

#### Historical Monthly Pageviews and Visits: January 2009 -- March 2011



Highly Scalable Platform and Superior Economic Model Backpage employs an operating model which is strategically flexible and requires minimal investment to fuel growth. The site is driven entirely by user-generated content (*UGCC*), and revenue is driven by an incremental demand-based pricing algorithm. Refining motion programs and increasing site traffic through investment in marketing and enhancing the user experience provides flexibility to modify pricing rapidly. The Company is able to add city sites quickly and cost effectively to drive growth in total site traffic and revenue potential. The foundations for future expansion exist via a largely fixed cost platform and staff. EBITDA margins have consistently been over 60% and have grown to nearly 70% as monthly revenue has grown 25-fold since January 2009.

### Historical Net Revenue and EBITDA Margin FY2009 - FY2010



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#### Readily Achievable Growth Opportunities

#### Untapped Monetization Potential

As the second largest online advertising platform in the world in terms of pageviews, the Company is well-placed for significant growth with better monetization of site traffic, such as through refined pricing structures and the placement of display ads. Compared to other websites who generate a considerable portion of their revenue from the monetization of user traffic, Backpage is not fully capturing the revenue potential of the site's pageviews. The Company has several opportunities to leverage the site's substantial volume to increase revenue and market share.

#### Backpage Monetization Comparison

	FY10 Avg.	March 2011	Revenue
	Monthly Revenue	Pageviews	per
	(\$ in millions)	(millions)	Pageview
Newegg.com	\$190.8	102.2	\$1.8672
Priceline.com	\$257.1	197.4	\$1.3021
Amazon.com	\$2,850.3	3,011.2	\$0.9466
Apartments.com	\$16.1	23.1	\$0.6980
Expedia.com	\$279.0	440.4	\$0.6335
Orbitz.com	\$63.1	119.7	\$0.5274
HomeAway.com	\$14.0	32.9	\$0.4247
Angieslist.com	\$4.8	12.1	\$0,4005
Monster.com	\$76.2	270.8	\$0.2813
Shutterfly.com	\$25.6	119.8	\$0.2140
Kayak.com	\$14.2	67.5	\$0.2109
Careerbuilder.com	\$46.3	343.5	\$0.1349
Google.com	\$2,443.4	25,603.3	\$0,0954
eBay Inc.	\$763.0	9,426.9	\$0.0309
FriendFinder Networks	\$28.8	607.2	\$0.0475
AOL,com	\$201.4	4,574.7	\$0.0440
Linkedin.com	\$20.3	512.2	\$0.0395
Pandora.com	\$11.5	410.7	\$0.0280
Yahoo.com	\$495.2	20,673.2	\$0.0240
Ancestry.com	\$25.1	1,429.0	\$0.0175
Zillow.com	\$2.5	161.9	\$0.0157
Snagajob.com	\$1.8	160.9	\$0.0113
Backpage.com	\$2.5	1,376.3	\$0.0018
Sources: CapitaliQ, Compete of	om, Comscore, Google	Analytics, menage	ement estimate

Today, management actively monitors key operating metrics such as pageviews and ad volume and adjusts paid ad prices once the site has gained the appropriate level of momentum. The employment of a more sophisticated algorithmic pricing system could optimize prices to accommodate the different purchasing habits and relative pricing inelasticity of different groups of advertisers by category and city. Such a pricing model would allow for the more complete capture of revenue potential and increase profitability above already impressive levels. Additionally, the strategic placement of third party display ads in certain high-volume categories could enhance revenue without becoming detrimental

to the user experience or increasing site spam. By implementing careful placement of banner ads and pay-per-click affiliate marketing, the Company can grow non-core revenue streams in such a way that it does not interfere with the user experience or slow the site.

#### Increase Site Traffic through Online Marketing Initiatives

The Company is planning to invest considerable future resources in an internal Affiliate Program, whereby third parties are compensated for referrals which convert to a paid ad purchase. The Affiliate Program is designed to drive referral traffic from outside websites and increase ad volume. Backpage is exploring additional partnerships with larger high traffic websites whose content intersects with Backpage categories. To accommodate partners and other affiliates, Backpage has recently developed an online service interface through which affiliates can track referrals and commissions earned. Although advertising has historically been an insignificant portion of operating expenses, the Company expects costs related to the Affiliate Program to remain as the largest portion of the total advertising and marketing budget.

Historically, a relatively smeller portion of the Company's edvertising expenses was attributed to banner advertising and other forms of display advertising. Backpage projects continued investment in carefully placed display advertising on outside websites, which will drive incremental growth in site traffic. The Company plans to initiate display advertising programs on sites such as on Facebook.com and other social networks, Alexa.com, Google publisher websites and others. Targeted ad placements on these and other sites with a similar audience as Backpage's Jobs, Rentals, and Services categories will drive additional referrals of both consumers and advertisers.

Because the site's content is entirely user-generated, the Company boasts an inherently strong ranking from search engines. Nonetheless, management believes that investments in search engine marketing are an additional avenue through which the Company can increase referral traffic to the site.

#### Further Market Segmentation in Large North American Markets

In 2010, Backpage made the strategic decision to segment the large, high-volume New York City afterinto several smaller sites specific to the city's horoughs. Today, Bronx, Brooklyn, Manhattan, Queens, and Staten Island are all unique city sites operating within the larger New York City market. The Company found that market segmentation in the largest markets enhanced the user experience by allowing the consumer to narrow to a particular borough or neighborhood of choice. Additionally, market segmentation provided the Company with enhanced pricing opportunities by suggesting the advertiser post in more than one territory to expand the additional provided the Company with the expandition of the provided the segmentation of the provided that the provided the segmentation provided the Company with the expandition of the provided the segmentation provided the company with the provided the segmentation provided the company with the provided the segmentation provided the company with the provided that the provided the company with the provided th

Backpage has introduced city segmentation in the Dallas, Los Angeles, San Francisco Bay Area, and Tampa Bay markets. The Company plans to continue to implement this feature in other larger metropolitan markets such as Chicago, Toronto, and Boston in an effort to improve the user experience, drive further growth in site traffic, and enhance pricing opportunities.

#### Penetrate Smaller Markets in North America

Management believes a considerable domestic growth opportunity exists in underpenetrated markets such as college towns or smaller metropolitan areas. Markets in this class represent a considerable amount of traffic which Backpage plans to capture through rollouts of local sites and/or potential partnerships with local print publications.

#### Expand into Foreign Markets

Today, the entirety of Backpage's revenue is generated in North American markets. Management believes as much as 100% growth is achievable through international expansion. The Company plans to launch Backpage in the United Kingdom in 2012, and is exploring expansion to the rest of the European Union, Australia / New Zealand, and South America. With successful initial penetration of the U.K. market, the Company expects to roll out additional international sites every six to nine months.

International markets are highly fragmented and offer low-quality competition, especially in key monetizable categories like Adult, Personals, and Services, which Craigslist and other competitors do not adequately serve. In Europe, management believes the opportunity exists for the Company to aggregate the fragmented industry by establishing a strong, continental Backpage brand. Additionally, international markets provide several favorable characteristics compared to North America. In regards to adult content, Europe and other international markets provide a more liberal and accepting environment.

The Company believes that the launch of international Backpage sites will require minimal capital investment. Estimated expenses for the launch of the U.K. site are estimated to be under \$500,000, which include \$200,000 for marketing programs, \$200,000 for initial staffing requirements, and the remainder for site development including language tables. Total startup costs for the launch of smaller international sites, such as Australia / New Zealand and South America, are projected to be as low as \$200,000.

#### Strong Financial Performance

Between FY08 and FY10, the Company® gross revenue increased at an impressive CAGR of 137.5% from \$5.3 million to \$29.9 million. The Company has continued to leverage its highly scalable operating platform, resulting in an EBITDA margin of 68.3% in FY10.

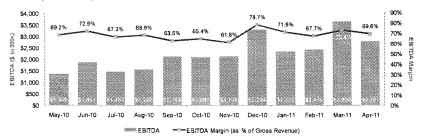
#### Historical Summary Income Statement

(\$000s) LTM						
Fiscal Year Ending December 31,	2008	2009	2010	Apr-11		
Gross revenue	\$5,308	\$11,665	\$29,948	\$38,761		
Less: Discounts and chargebacks	(\$258)	(\$849)	(\$2,440)	(\$3,019)		
Net revenue	\$5,050	\$10,816	\$27,508	\$35,743		
Net revenue YoY growth		114.2%	154.3%	133.5%		
Total operating expenses	\$1,805	\$2,784	\$7,057	\$8,791		
EBITDA	\$3,245	\$8,032	\$20,452	\$26,952		
EBITDA margin (% of gross revenue)	61.1%	68.9%	68.3%	69.5%		

Historically, Backpage has funded growth with minimal capital expenditures, which typically amount to approximately \$150,000 annually and are primarily related to domain name purchases and any necessary infrastructure upgrades.

Backpage's superior economic model has allowed it to increase profitability substantially as site traffic and ad purchases have likewise grown. In the LTM period ended April 30, 2011, the Company generated \$27.0 million of EBITDA. Excess cash generated by Backpage is swept back to its parent company, VVMH, on an ongoing basis.

#### Historical Monthly EBITDA LTM April 2011



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#### 2. Investment Considerations

Almost all ad posting transactions on Backpage are paid with credit cards and therefore, get settled in three business days. This fast settlement of credit card payments facilitates a negative working capital position. From FY99 to FY10, the Company's net working capital improved from (\$0.2) million to (\$0.9) million.

#### Leader in User Experience

Since inception, the executive team has carefully managed traffic growth by emphasizing an ideal user experience for both the site browser and the advertiser. The simple layout allows easy and rapid navigation between categories and pages. Every effort has been made to avoid cluttering the site with unnecessary features.

The site was designed so that users can access high-quality content in a minimal number of clicks. Thumbnail images appear in sponsor ads on the category pages to help engage the user. Images on the ad pages can be enlarged and quickly navigated. In addition, the site utilizes a Content Delivery Network ("CDN") to serve pages close to the edge of networks users are on which in turn further improves the site's speed and reliability. The pages are coded efficiently to reduce file size and provide the fastest possible download time. Management forbids the use of Java enhancements or tracking programs, which would clutter the site's layout, increase page load times, and distract the consumers from searching for desired content. This commitment to a valuable user experience has resulted in a bounce rate of 31% and engaged users averaging 19 pages per visit during March 2011.³

For an advertiser, the four step process to post an ad is efficient, intuitive, and secure. There are no logins, account verifications, or other complicated hurdles; all that is required to post an ad is a valid email address.

A great deal of effort is deployed to insure verification and renewal emails reach the user's inbox, in an effort to ensure that the servers and internet protocols ("IP") sending verification emails have a good reputation with email service providers, Backpage.com does no email marketing from these IPs, employs technology for email validation and deliberately keeps the text of verification emails transactional in nature. As part of the Company's customer service efforts, users can reply directly to verification and renewal emails from support@backpage.com. In this way, customer service is very much a part of the ad posting process. Only trained and more senior staff members are deployed to work in support functions. Supports mission if to make every effort to insure the customer is satisfied. They are trained to focus on the lifetime value of the customer and less on the individual transaction. Among the tools available to the support staff to ensure customer satisfaction are refunds, free upgrades, as well as promotional codes, any of which they may provide at their discretion. Free ads on Backpage are supported primarily by email. Conversely, paid ads receive telephone and priority email support.

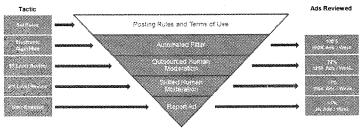
Google Analytics	
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#### 2. Investment Considerations

#### Rigorous Quality Control

Management believes the valuable user experience is directly related to its meticulous quality control philosophy. While competitors such as Craigslist rely more heavily on automated moderation techniques, Backpage's thorough, multi-layer moderation processes mitigate the occurrence of spam and inappropriate content, which provides the consumer with an improved experience, All online classified ads on Backpage are scrutinized using a five-step moderation process, which combines automated and human elements:

#### Five-Step Moderation Overview



Prior to posting, automated filters screen all ads for content deemed as inappropriate or offensive. All ads are filtered for over 19,000 words and phrases. Since inappropriate content often comes in the form of photographs which require the human eye to identify, Backpage conducts two levels of human moderation. The Company contracts an India-based moderation specialist firm, which reviews approximately 125,000 ads per week, or 22% of all posted ads. Additionally, Backpage employs an internal staff that provides a second layer of human moderation by browsing the site in real-time to identify and remove ads containing inappropriate content. The domestic moderation team reviews approximately 100,000 ads per week, or 17% of all posted ads. Through the "Report Ad" teature, site browsers notify the moderation team of potentially noncompliant ads. In a typical week, 2,000 user-reported ads, or less than 1% of all ads, arrive in a queue for the moderation team to reconstructive.

The result of Backpage's unique, multi-layer moderation process is a simple and efficient online advertising platform. The innovative combination of automated and human processes differentiates the Company from its competition and provides a strong foundation upon which the Company can substantially grow site traffic without sacrificing the value of the user experience.

#### Seasoned Management Team

Backpage is led by a tenured and focused management team that has developed and executed the Company's growth strategy and built the Company to its current size and profitability. The management team includes members with extensive experience in the weekly newspaper and print advertising industries. Day-to-day operations are managed by the VP of Sales & Marketing, Carl Ferrer. As a 25-year veteran of the classified advertising industry, Mr. Ferrer has led the Company since its inception as it achieved exponential growth in site traffic and revenue. This team is excited about the future of the Company and is deeply committed to executing strategies to achieve strong continued growth.

#### Proactive Regulatory Philosophy

Backpage strives to be a leader in regulatory compliance at the federal, state and local levels. The measures taken by Backpage to operate within all regulatory guidelines and avoid potentially expensive and harmful lawsuits include clear and explicit requirements of those who place advertising on the site. Advertisers are required to adhere to a strict set of guidelines that compare favorably to conditions imposed by any other provider of similar services anywhere in the country

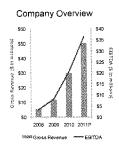
Since 2009, the Company has proactively engaged authorities to ensure it operates within constantly evolving privacy and regulatory guidelines. By assisting with law enforcement investigations and responding to subpoenas in support of prosecutions of those using the site to commit crimes, the Company maintains the highest level of cooperation with regulatory authorities and governmental entities. Additionally, Backpage makes a concerted effort to provide transparency and proactive cooperation with non-governmental organizations.

The Company's compliance and legal efforts are coordinated by outside legal counsel, which is a major global law firm with substantial experience and understanding in the internet industry. The Company's proactive regulatory efforts emphasize consumer protection and appropriate conduct to minimize public relations incidents and potential legal matters.

Section 3

## **Business Overview**

#### 3. Business Overview

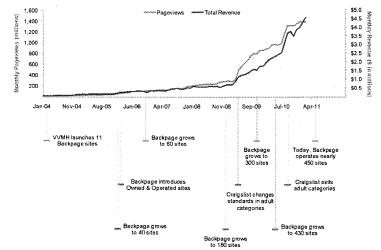


In 2003, Mr. Ferrer, now Vice President of Backpage, lobbied VVMH to create Backpage to protect their local classified advertising franchise position by diversifying into an online channel. At that time, VVMH provided free weekly publications and websites in 11 major U.S. markets, and foresaw the affect that then startup Craigslist would have on transforming the print classified market.

Backpage was initially seeded with classified content from VVMH's print publications. The Company also developed strategic partnerships with certain other non-VVMH publications granting them licenses to provide local online classifieds under the Backpage brand. Initial user traffic was driven by referrals from search engines and the local websites of VVMH and partner publications. In early 2006, Backpage launehad "owned and operated" ("O&O") sites, which operate without the use of any VVMH or partner publication seeded content. During the first four years of existence, Backpage experienced steady growth in both pageviews and revenue.

In 2009, the competitive landscape of the online classified industry changed drastically when Craigslist made key strategic decisions regarding the adult categories. First by charging for adult dats beginning in June 2009 and exiting the adult categories completely beginning in September 2009, Craigslist displaced a massive amount of ad volume. Throughout 2009, Backpage was rapidly growing its national portfolio of city sites. Therefore, due to the Company's own organic growth initiatives, it was well-placed to accept the displaced ad volume and experienced a 50% increase in revenue in two months during this time period.

#### Backpage.com, LLC Historical Performance and Key Milestones



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	Overview

Today, Backpage covers nearly 450 cities throughout the United States, Mexico, Canada, and the Caribbean, providing listings in 10 primary categories and 85 subcategories. Compared to other unique online classifieds providers, Backpage is ranked #2 in the U.S. and #4 globally in terms of pageviews. The Company boasts an Alexa pageview ranking of #149 in the U.S and #680 globally.

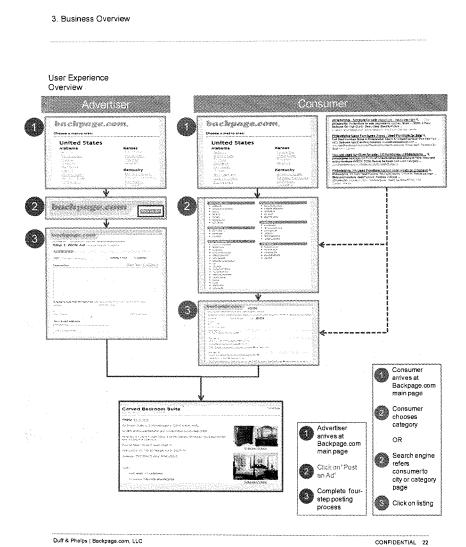
#### Strategy

Backpage generates revenue primarily through paid listings and sponsor ads, utilizing an incremental, demand-based pricing algorithm. For categories that meet an internal traffic-based monetization threshold, the Company can begin to charge for listings. For example, the price to post an employment ad in San Francisco may be significantly higher than Saint Louis, while the same ad in Topeka, Kansas, may be free. Traffic demand is paramount to success and is largely affected by content quality, user experience, and geographic coverage.

Backpage's philosophy is to provide a fast and user-friendly online classified experience to enable consumers to access sought out content efficiently. The Company believes in a simple and minimalistic design approach that offers ease of navigation and optimizes content delivery to facilitate rapid processes and page load speed. Management also enforces strict quality control strategies to minimize spam and inappropriate content.

⁴ Comscore Media Metrix, November 2010

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#### 3. Business Overview

#### Content Overview

Backpage's content breadth spans employment, real estate, rentals, personals, automotive, community services, and a variety of other categories. The content of an ad, which is entirely user-generated, typically includes a title, a description, and quick facts specific to the category. Backpage provides advertisers templates unique to each category to facilitate standardized display of relevant information.

#### Backpage Classified Advertising Examples







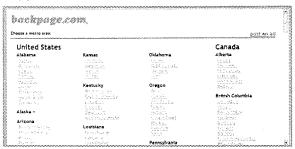


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#### Market Overview

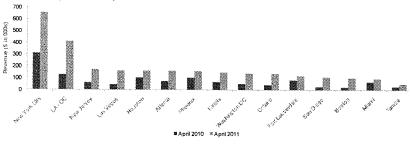
Upon arriving at Backpage.com, the consumer chooses which city/state site to enter. The screenshot below provides a sampling of the sites which the Company operates. Backpage is continually rolling out new city sites and projects to grow the number of North American sites it operates to 600 by 2014. Currently, the Company operates nearly 450 city sites throughout North America, Mexico, Canada, and the Caribbean. Additionally, Backpage further divides the largest metropolitan areas such as New York City, Los Angeles, and San Francisco into unique sites for each neighborhood or borough. With city segmentation, Backpage has improved the user experience by allowing both the user to navigate to a more nerrow desired geography. Additionally, it offers enhanced pricing opportunities by suggesting advertisers place more than one ad to reach a larger audience within the metropolitan area.

#### Backpage Market Overview



New York City is Backpage's strongest market and generated 14.7% of total paid ad revenue during the month of April 2011. The top five city sites (New York, Los Angeles / Orange County, New Jersey, Las Vegas, and Houston) comprised 35.0% of paid ad revenue during the same period.

Top 15 Sites Revenue: April 2011 versus April 2010



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#### 3. Business Overview

#### Sample Ad Categories

#### Automotive



Buy/ Sell / Trade



Rentals



Real Estate



#### Jobs

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#### Category Overview

Upon arrival at the city landing page, the browser can access a wide variety of product and services categories. Backpage is continually refining its category portfolio in order to maximize monetization opportunities, optimize quality control, and improve the user experience.

#### Category Offering



Traffic is largely driven by population in a given market and the relative market size for the category product or service. As a result, Backpage experiences a majority of its traffic in the Automotive, Services, and Adult categories. Management recently invested in software and systems to track traffic by category, so historical data is limited.

Total Ad Volume and Revenue by Category

	Total Ad Count (Paid	d and Free)	Average Weekly Paid A	d Net Revenue	
Category	As of April 30, 2011		For the Seven Weeks Ended Apr 11, 2011		
	#	%	\$	%	
Automotive	757,777	36.89%	\$1,066	0.11%	
Services	444,924	21.66%	40,878	4.06%	
Adult	318,197	15.49%	940,249	93.40%	
Real Estate	179,404	8.73%	2,134	0.21%	
Buy/Sell/Trade	178,439	8.69%	7,581	0.75%	
Rentals	62,468	4.02%	2,665	0.26%	
Community	36,958	1.80%	1,789	0.18%	
Musician	21,603	1.05%	722	0.07%	
Jobs	18,185	0.89%	5,094	0.51%	
Personals	15,984	0.78%	4,561	0.45%	
Total	2,053,939	100.00%	\$1,006,739	100.00%	

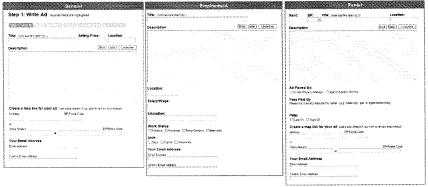
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#### 3. Business Overview

#### Posting an Ad

Posting a classified ad on Backpage is a simple four-step process. After entering the appropriate city site and category, the advertiser clicks the "Post an Ad" button which will navigate to the listing form. Below are examples of posting forms for general, employment, and rental listings.

#### Backpage Posting Form Examples



As demonstrated above, Backpage provides posting forms which are specific to the category. For example, posting an ad in the Jobs category allows the advertiser to input salary/wage, education, work status (full-time, part-time, etc.), and shift, while posting an ad in Rentals allows the advertiser to input the rent amount, number of bedrooms, and other options related to agency/broker arrangements. In total, Backpage has 16 custom posting templates covering 100% of its category base.

Terms of Use & Privacy Policy
Once the posting form is completed, the user must consent to the Terms of Use by clicking "Continue."

#### Consent to the Terms of Use

By placing this ad I agree to the terms of use.

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The Terms of Use set forth in writing what is acceptable content and specifically prohibits ads which involve harassment, discrimination, illegal acts and a wide variety of other actions which are inappropriate, offensive or otherwise detrimental to the overall user experience. Additionally, before posting an ad in an Adult category, the user must consent to the "Posting Rules" which outline inappropriate adult ad content.

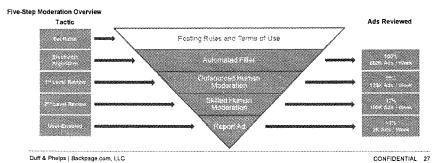
Included as part of the Terms of Use, Backpage's Privacy Policy advises the user that the site will not provide advertisers or anyone else outside the site with any of the user's information without consent. Any employee or consultant who violates the privacy and security policies is subject to disciplinary action, including possible termination or prosecution. The Terms of Use and Privacy Policy are provided in the Appendix.

After completing the posting form and clicking continue, the advertiser views an illustration of the ad and selects to edit the ad or continue. If the ad preview is satisfactory and the advertiser continues, any necessary payment must be submitted. Following payment, Backpage will send a confirmation email which serves to verify the email address associated with the ad. The advertiser must click the link provided in the email to confirm the email address and complete the posting.

#### Quality Control

Management continually strives to provide the user with an online environment where people feel comfortable buying and selling goods and services. Backpage is built to satisfy both the advertiser and the consumer. Simple layouts, fast loading pages, ease of navigation, mobile optimized browsing, and few manual processes are all characteristics of the user experience. Backpage does not utilize Java enhancements or tracking beacons and rarely inserts non-classified ads (i.e. display) due to the belief that these distractions will slow the site and clutter the layout, inhibiting the ability for the consumer to find a desired product or service.

Management believes Backpage offers a top quality user experience primarily due to a unique and rigorous moderation methodology which competitors such as Craigslist fail to match. In a five-stage process consisting of both automated and human factics. Θασκραφέν meticulous quality control efforts minimize the occurrence of spam as well as inappropriate or offensive content.



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#### Automated Processes

Although advertisers consent to the content restrictions prior to posting, ads are occasionally posted in violation of the Terms of Use. Many ads which are submitted to the site are rejected or removed due to noncompliance with site rules or the Terms of Use. As the first level of moderation, electronic algorithms filter posted ads for over 19,000 words or phrases deemed as inappropriate or offensive. The Company continually refines the database of flagged content. Should an ad contain content in violation of the Terms of Use, the content is immediately removed.

#### Human Elements

Although filters can screen for words and phrases, inappropriate content often comes in the form of photographs which require the human eye to identify. Backpage contracts an Indiabased protection and moderation specialist firm focused on web-based user-generated content. This vendor moderates an average of 12,000 postings per day for Backpage at very attractive hourly rates. Postings are placed in a queue where approximately 50 allocated moderators retrieve them and review content for both inappropriate verbiage and photographs. A US-based manager and staff monitor the work of the outsourced moderation team and verify postings are reviewed to Backpage's standards.

Backpage employs a staff of full-time and part-time employees based in Phoenix and Dallas that serve to provide third stage moderation. These 64 employees represent approximately 88% of the Company's total headcount and provide a valuable final review function. The domestic moderation team browses the site in real-time to identify and remove ads containing inappropriate content. Below is a screenshot showing a moderator's fail / approve option for an ad in question.

#### Moderation Fail / Approve Queue

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kronistration > od moderati	OU GINDING	ow ads	> non-adult			
d Moderation						
ection: adult   adult tot	s   pher	e/web   p	nersonals   non-adult			
lueue: new ads   othe	I failed	edited a	ids   ads with links   manager   old alerts   e	xpired ) r	emoved   violation	
iroup:all; <u>a b c</u>  ⊈	e i natio	na:				
City	Status	Queue	Liner	invoice	Ad Title	Date
o.c.	Live	New	resume@us/armainc.com	\$2,25	Stocking and Distribution Part Time Wanted	04-28-2011 03:30 pm
Dallas	Live	New	mohicks@dependablecarehs.com	\$26,51	Home Health LVNs Needed Immediately!!!	04-28-2011 03:41 pm
O.C.	Live	New	resume@ustarmsinc.com	\$2.30	Stocking and Distributor	04-28-2011 03:41 pm
Daltes	Live	New	mohicks@dependablecarehs.com	\$28,12	Home Health RNs Needed Immediately!!!	04-28-2011 03:46 pm
Atlanta	Live	New	eventpromotions@rtz3entertainment.com	\$1.00	Hing marketing interns	04-28-2011 03:54 pm
SLLouis	Live	New	adm@latey880.com	\$5.05	Marketing and sales manager	04-28-2011 03:54 pm
Statesboro	Live	New	eventpromotions@riz3entertainment.com	\$0.00	Hiring marketing interns	04-28-2011 03:55 pm
Savennah	Live	New	eventpromotions@riz3enterteinment.com	\$0.00	Hiring marketing interns	04-28-2011 03:55 pm
Mecon	Live	New	eventpromotions@rix3entertainment.com	\$0.00	Hiring marketing interns	04-28-2011 03:55 pm
Jacksonville	Live	New	upshawshella@amali.com	\$0.00	1/2 1st month rent on 12 month	04-28-2011 04:00 pm

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#### 3. Business Overview

Consumers act as the fifth stage of moderation and have the ability to report an inappropriate or offensive ad. Through the "Report Ad" feature, which appears as a button in the top right corner of every ad, Users are empowered and encouraged to report incidents of inappropriate or illegal content, spam, and ads posted in the incorrect category. When a user clicks the Report Ad button, the ad is immediately suspended from view and arrives in a queue for the moderation team to review. The moderation team subsequently follows its normal procedure in determining if the ad contains inappropriate content per the Terms of

#### Monetization

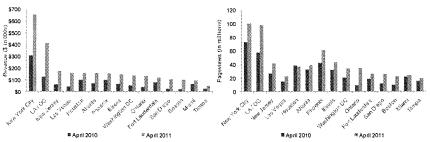
#### Overview

Through the use of free ads, Backpage drives growth in site traffic and ad volume. Currently, free ad postings on Backpage outnumber paid ads 3:1. Once a category's traffic reaches a critical mass, the Company begins to monetize the traffic by implementing an incremental demand-based pricing algorithm. For example, while ads in the Jobs category in Dothan, Alabama are free, the same ads in Minneapolis, Minnesota cost \$1, while the same ads in the higher traffic Manhattan market cost \$2.

In the early stages of a category life cycle, content primarily consists of free ads to drive site traffic and ad volume. The Company examines key metrics, such as pageviews, and also monitors content quality and the amount of spam. Once traffic reaches a certain level, the Company initiates monetization action to generate revenue.

The Company typically charges for ads in the Personals, Rentats, Jobs, and Adult categories, as well as select sub-categories within Services. By comparison, Craigslist charges a higher price per ad in three areas: job postings in select cities, brokered apartment rental listings in New York City, and all therapeutic services ads.

Top 15 Sites Revenue and Pageviews: April 2011 versus April 2010



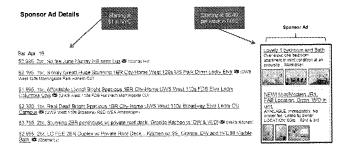
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#### Ad Units

Backpage primarily generates revenue from paid ad posts, sponsor ads, and other upgrades. Near the bottom of the posting forms in certain categories, Backpage strategically locates recommended posting upgrade options. Through the Auto Repost Ad feature, Backpage will automatically repost the paid ad to the top of the category page for an additional fee. The number and frequency of the repost is chosen by the user and affects the size of the added fee. When reposting an ad, Backpage utilizes the identical URL and post ID as the original ad, which maximizes search engine optimization and differentiates Backpage from competitors. Additionally, advertisers have the option to gain extra visibility through the Sponsor Ad Upgrade. Advertisers pay an additional fee per week for this feature, which places the ad on the right side of the category's page in a highlighted box with thumbnail pictures. Ads purchased without any upgrades are organized by post time and located on the left side of a category's page.



While traffic is typically the predominant catalyst for monetization, other factors such as price elasticity, frequency of spam, and third party competitive dynamics drive pricing. For categories with relative competitors such as Craigslist, the Company charges a very low average price point for a listing. For example, an employment ad in San Francisco is \$75 on Craigslist while Backpage charges \$1. Due to the high magnitude of pricing inelasticity in the category, the Adult category has enjoyed the most success being monetized and represents the predominant portion of the Company's monthly paid ad net revenue.

#### Forums

The Company provides forums through which users can discuss topics of interest. The forums encourage dialogue and networking among users but also serve to promote search engine optimization and drive growth in site traffic. Forum topic areas include Arts and Entertainment, Employment, Politics, and Sports. Although the forums are free for users, Backpage monetizes them through the use of banner ads and pay-per-click advertising programs via Google AdSense.

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#### Other Methods of Monetization

Site traffic in other areas is further monetized through the restricted use of display advertising. However, because management believes an excess of display advertising is detrimental to the overall user experience, its use is limited to only certain categories, and ads are generally placed at the bottom of a page. If a consumer cannot locate the product or service in the classifieds, hopefully the user will click on an AdSense link where the Company shares revenue with Google. In 2010, AdSense revenue sharing amounted to \$152.581, less than 1% of total revenue.

#### Marketing Strategy

Historically, the sile's principal growth drivers are organic. Total marketing and advertising expenses are a relatively small portion of total operating expenses. Due to its continued focus on user experience and quality control as well as the planned international expansion, management believes the site would still achieve significant growth in traffic with no marketing budget. However, management plans to invest in marketing initiatives in an effort to support growth in targeted categories.

#### Affiliate Program

In an effort to drive referral traffic from outside websites and increase ad volume, Backpage released the Affiliate Program in 2010. By becoming an affiliate, the proprietor of a website or blog simply places a text link or banner ad for Backpage on their page. The affiliate's unique ID number is stored within the banner ad so that if a site user clicks on the ad, the referral is sourced to the affiliate. If in the next 30 days the referred user posts a paid ad or purchases an ad upgrade such as a Sponsor Ad or Auto Repost, Backpage agrees to pay the affiliate a 10% commission.

Backpage is seeking to partner with several larger websites who serve a clientele interested in jobs, events, services, rentals, and real estate, which would drive a large amount of referral traffic. Furthermore, Backpage recently created a service interface in which affiliates can check the commissions earned.

The Company expects the third party Affiliate Program to become a considerable driver of referral traffic in the future. Commissions paid to these affiliates represented the majority of total advertising and marketing costs.

#### Online Marketing

Backpage's online marketing initiatives, including display advertising, article marketing, and search engine marketing, are the minority of the total marketing budget, and represent an extremely small portion of total operating expenses. To support growth in non-core categories, Backpage projected continued investments in banner advertising and other forms of display advertising, which are placed on third party websites. Backpage also engages in article marketing, in which the Company submits articles regarding the online classified industry or other topics to an article directory. Embedded links to Backpage are contained in the article and drive referral traffic to the Site. Backpage engages in a relatively small amount of search engine marketing to drive referral traffic.

#### Partnership and License Agreements

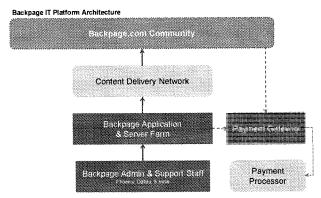
Backpage partners with television stations, radio stations, local print newspapers, and other media outlets in certain metropolitan areas in providing online classified advertising additions to their websites. Backpage hosts the site and provides the classified application utilizing the partner's domain name and aesthetic layout are used. As an example, below is a screenshot of the San Diego Reader's Classified Advertising section on its website, which is located at sandiego.sandiegoreader.com and is run on the same ad database as sandiego.backpage.com. Backpage shares a pre-determined percentage of the revenue with the partner. The size of the revenue sharing percentage differs depending on the partnership agreement.



Several city sites are operated by a third-party through a license agreement. Backpage hosts the site and provides the licensee with moderation services and credit card processing. The terminability and percentage of revenue to which Backpage is entitled are the key terms of the license and differ widely with each agreement. The Company has discontinued issuing new license agreements and aims to repurchase any outstanding agreements when and if they become available. Revenue sharing and partnership programs comprise 3.3% of FY2010 gross revenue.

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#### Technology Platform



#### Backpage IT Overview

The Backpage website is hosted by a third party provider at a dedicated server co-location facility in Arizona. The provider manages, develops, and supports all functions of Backpage's technology platform, including administration, ad serving, ad posting, and transactional email. The Company also utilizes a content delivery network ("CDN") to improve the site's speed and user expenience. Backpage's CDN effectively increases the site's bandwidth by caching previously accessed pages and files at a more convenient location to the user, which provides faster load times for popular pages. The vast majority of ad purchases on Backpage are completed using a credit card. To process credit card transactions in an efficient and cost-effective manner, the Company utilizes a third party provider based in New England. Additionally, Backpage utilizes a third party domains.

#### IT Infrastructure Case Study - Distributed Denial-of-Service (DDoS) Attack

On March 11, 2011, Backpage was the victim of a distributed denial-of-service attack by an unknown party. The attack took the form of thousands of "POST" requests per second. Backpage developers quickly identified the attack and setup new servers to create a proxy layer that could filter out all of the "POST" requests and pass through the legitimate requests. Due to the design strength of Backpage's IT systems and the rapid reaction from the development team, the site returned to 100% service within 20 minutes of the attack. The attack lasted three days and consumed a massive amount of bandwidth, which was approximately 600 megabits of inbound bandwidth. Working with its third-party CDN and DNS providers, Backpage has added additional preventative measures to better handle this type of attack in the future.

#### Regulatory and Legal

#### Disclaimer

In addition to the Terms of Use and Privacy Policy described previously, Consumers must also click through a Disclaimer before entering any Adult categories. The disclaimer advises that users must be at least 18 years of age and must live in a jurisdiction where adult materials are not prohibited. Consumers must also agree to report any illegal services or activities and any suspected exploitation of minors or human trafficking.

#### Proactive Efforts

Sites such as Backpage, which are driven by UGC, have unique opportunities to grow content quickly. Some of the most popular sites on the internet like Facebook, Twitter, YouTube, and Yelp are structured around user-generated content. Because UGC can also be a source of copyright infringement complaints, civil subpoenas between other users and request for records from law enforcement, Backpage employs a staff to respond to these types of requests promptly and efficiently like any other popular UGC site.

Backpage.com takes effective measures to cooperate closely with law enforcement to track and eliminate idegal activity on the adult services portion of its site. Backpage's security measures have succeeded in rooting out and eliminating several types of illegal and harmful material, including scammers, "phishers," would-be perpetrators of economic frauds and others, including those engaged in prostitution. The measures taken by Backpage include clear and explicit requirements of those who place advertising to adhere to a strict set of guidelines that compare favorably to conditions imposed by any other provider of similar services anywhere in the country. In addition to these measures:

- actions are taken to ensure newly posted ads are reviewed within 20 minutes of upload
- content in violation of Terms of Use is immediately removed
- users browsing the site can report abuse to the Site's administrators.

Backpage's level of cooperation with law enforcement is significant. The Company has actively cooperated with law enforcement by assisting with sting operations, where necessary, and by responding to subpoenas in aid of prosecutions of wrong-doers who employ the site, frequently extending cooperation to assist law enforcement efforts to limit or eliminate those who abuse the site. Backpage.com responds to numerous communications from law enforcement each month and supplies law enforcement with requested information and materials relating to posters charged with criminal activity promptly and completely. Backpage has behaved in ways that stand in stark contrast to the uncooperative approach of other competitions. Backpage's content compares favorably with (i) telephone directory istings for "Escort Services," (e) newspaper personal ad sections and (iii) give-away "adult services," papers and magazines distributed widely in tilg oftes and found in "honor" boxes in heavily-trafficked urban areas.

#### Regulatory Impact on Editorial Functions

As noted, Backpage is a beneficiary of the Communications Decency Act, and specifically, a portion of that Act, Section 230, which immunizes internet providers from liability for republishing content furnished by others. The immunity can be compromised if more than a minimal amount of editing is done to third party content, as the basis for the immunity is insuring the rapidity and usability of the internet to move messages (much as is the case with more traditional common carriers," such as telephone and telegraph communications).

The Act immunizes interactive computer services, such as Backpage, from liability for material posted on its site which originates from a third party. While the Act does not insulate the originator of tortious or otherwise actionable material that is communicated over the Internet from liability, it does bar civil and criminal claims that seek to treat interactive computer services like Backpage as though they were publishers of content, representing a significant immunity for Backpage. To the extent that the Company functions as an intermediary rather than as an originator or publisher of content, the immunity is intact. See Chicago Lawyers' Comm. For Civil Rights Under Law v. Oralgeliaf, Inc., 519 F.3d 666, 668 (7th Cir. 2008) (holding that Craigslist, "which provides an electronic meeting place for those who want to buy, sell, or rent housing (and many other goods and services)" qualified for Section 230 immunity). As a practical matter, the Act's fundamental purpose of promoting Internet self-regulation means that, in general, exercising traditional editorial functions will not give rise to liability. Thus, "any activity that can be boiled down to deciding whether to exclude material that third parties seek to post online is perforce immune under section 230." Fair Housing Council v. Roommates.com, 521 F.3d 1157, 1170-71 (9th Cir. 2008) ("Roommates"). Thus, Backpage's moderating activity, as well as its strict adherence to its Terms of Use and Privacy Policy in excluding inappropriate material, does not cross the line into activity that would be deemed editorially invasive and would threaten or weaken its claim to legal immunity under the Act.

Pursuant to the Terms of Use, Backpage has the right to edit advertising submissions for any reason to conform them to the Company's adventising guidelines, as it may be expressed from time to time. Under existing law, the Terms of Use and guidelines should not render Backpage complicit in content provision like the defendant in Roommates, so as to forfeit its Section 230 immunity. Thus, to the extent Backpage is essentially editing or deleting inappropriate ads (or notifying users what will be edited or deleted), and those edits and policies do not contribute to the illegality of any posting, it should not be held liable for doing so.

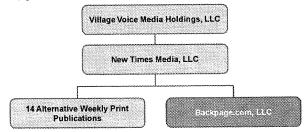
In addition to the generous immunity afforded by the Communications Decency Act, Backpage remains continually motivated to work cooperatively and voluntarily with law enforcement to do the utmost to assist in combating illegal activity on the site.

#### Organization

#### Ownership

Backpage.com is organized as a limited liability company and formed under the state laws of Delaware. The Company operates as a wholly-owned subsidiary of Village Voice Media Holdings, LLC.

#### Backpage.com, LLC Ownership Structure



#### Employees

As of March 31, 2011, Backpage had 69 full-time and four part-time employees, in addition to the team of approximately 50 outsourced moderation professionals in India. Backpage operates with a lean upper-level management team comprised of two professionals and a small, seven-person staff for accounting, administration, and development. The remaining employees are focused on category development, marketing, and moderation. The majority (71.2%) of the Company's employees are located in the Phoenix office. All of the Company's full-time employees receive medical, dental, vision and life insurance, a matching 401k plan and short-term and long-term disability. None of the Companies' employees are represented by labor unions.

#### Employee Schedule

Job Title	Location	Employees
VP Sales & Marketing	Dallas	1
Sales Director	Dallas	1
Managers	Phoenix	2
Application Developer	Phoenix	1
Web Developer	Phoenix	1
Administration	Phoenix	2
Financial Accountant	Phoenix	1
Full-time Support	Phoenix	42
Part-time Support	Phoenix	3
Full-time Support	Dallas	18
Part-time Support	Dallas	1
Total		73

#### Leadership Team

Backpage's operations are lead by a team of seasoned veterans of the advertising and print publication industries. The executive management team guided Backpage to its current size and profitability by developing strategy and carefully managing the Site's significant growth.

Carl Ferrer -- VP Sales & Marketing. Carl Ferrer is a graduate of the University of Wisconsin at Madison with a BA in Communications and English. Upon graduation, Mr. Ferrer started a successful wholesale supply company and retail stores businesses. He also served as city councilman and served nine years in the National Guard.

In 1987, Mr. Ferrer joined Journal Communications as publisher of the Buyers' Guide, a classified publication. He later ran both weekly and daily newspapers in Florida. Highlights included converting home delivered publications to profitable rack publications. In 1996, Mr. Ferrer joined VVMH as the classified director at the Dallas Observer, where he grew Dallas to be a top performer nationally in classified revenue. He later took on a national development role to create technologies to increase classified revenue. Mr. Ferrer implemented these technologies at other VVMH locations and often stayed long term in challenging markets to increase revenue.

In October 2003, Carl Ferrer proposed to VVMH management the development of an online classified solution to compete directly with then startup Craigslist. At the time, Backpage was managed by Carl Ferrer and Tamara Nickel, now Backpage's Operations Manager. Scott Spear later joined to define growth strategies and foster partner relationships, quickly adding over 20 media partners.

Mr. Ferrer is the creative strategist driving most of Backpage's innovative development including the integration of the print and web product, sponsor ad up sells, billingual functionality, spam control, and the auto repost upgrade.

Tamara Nickel — Operations Manager. Tamara Nickel is a graduate of Arizona State University with a BS in Marketing. In 2003, Ms. Nickel joined VVMht's sales staff. Recognizing the need for web-based classifieds in the digital age, she quickly transitioned to the Backpage management team and became its first employee.

Since Backpage's launch, Ms. Nickel has worked to increase the site's coverage from 11 isolated cities to a network covering North America, while collaborating on numerous developments to increase ease of use, ad reach, and fraud prevention. Currently, she manages a growing staff dedicated to managing credit card transactions, maximizing profitability of micro-transactions and preventing fraudulent credit card use.

Andrew Padilla — Operations Manager. Between 1991 and 2006, Andrew Padilla held various positions within Arizona, California and Nevada's construction industries in safety compliance and personnel management. Mr. Padilla joined Backpage in the summer of 2006 to help implement rapid technical innovations and guide the Company through the most explosive period of growth to date. Beginning in 2006 with a staff of 10 employees monitoring 60 Backpage sites, his role has expanded to overseeing nearly 450 sites, managing more than 70 employees, and maintaining a high standard for internet safety.

From the start, he has placed an emphasis on customer service, technical support for site users and efficient site functionality with a goal of encouraging and facilitating quality usergenerated content and responsible use of Backpage services.

Dan Hyer – Sales and Marketing Director. Dan Hyer graduated from Truman University with a BA in Music Theory & Composition. In 1995, Mr. Hyer joined the corporate world as co-owner of "Grant, Hyer, and Associates". Providing consulting and appointment setting services to companies including Administaff, Cincinnati Insurance Group & Lincoln Property Casualty, it was here where he refined guerilla marketing and sales presentation techniques to penetrate and close the upper-level decision makers at large corporations.

In 1998, Mr. Hyer accepted a position as Account Executive for the Dallas Observer. Within a year, he was promoted to Senior Account Executive, and by the end of his second year he was recognized as the #3 top-selling Classified Account Executive in New Times. Later, Mr. Hyer was promoted to Classified Director, winning Classified Director of the Year for VVMH in 2004 and 2005.

In 2006, Mr. Hyer started the Dallas marketing department for Backpage. With a grass roots approach of contacting one customer at a time, the Dallas marketing staff offered free posts to new users to bring in new business. By 2008, ad count, paying customers, and page views quadrupled. Subsequently, Mr. Hyer was promoted to Sales and Marketing Director.

Mr. Hyer leads Backpage's multi-lingual marketing department which has grown to over 20 staff members and actively prospects new users throughout North America. Their primary focus is developing traditional classified high volume categories such as Jobs and Rentals, the most recent categories in which Backpage charges a fee to post.

Joe Kaiping - Technical Operations Manager. Joe Kaiping is a seasoned technical professional with over 20 years of experience developing, managing, and supporting custom enterprise business applications. He has worked for technology pioneers like Wolfram Research, Inc. (makers of Mathematica^(TM)), Springer-Verlag, Arizona Republic Newspaper, Intralect Solutions, and Insight before joining VVMH in 2003.

At VVMH, Mr. Kaiping was integral in designing, creating, and managing the intranet portal as well as defining application development processes. He designed a single sign-on solution that integrated employee directory services with a number of disjoint custom and third-party business applications. Mr. Kaiping implemented an online company knowledge base, upgraded the help desk support ticketing system, and took over legacy credit card processing systems.

In January 2011, Mr. Kaiping became Technical Operations Manager for Backpage, where his responsibilities include ensuring that projects and systems efficiently meet desired business goals and are designed for security, performance, scalability, and ease of management.

#### Facilities

Backpage conducts its operations out of two leased facilities in Phoenix, Arizona, and Dallas, Texas, which it shares with VVMH.

Section 4

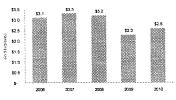
**Industry Overview** 

# Online Classifieds

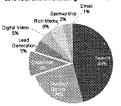
### Evolving Shift from Print Media Classifieds to Online Classifieds

Driven by faster response times, ease of searching for information and the opportunity for advertisers to reach a wide audience in a targeted manner, businesses and consumers are moving from publishing classifieds in printed media towards online media. The move to the online channel represents a natural evolution for category driven advertising and allows for monetization of small transaction size unavailable in print media. Further, print classified ads have a limited amount of space, while online classified ads have a limitless amount of space and can offer ad viewers more detailed descriptions of the product or service that is being advertised. According to industry estimates by the Interactive Advertising Bureau ("IAB"), of the \$26.0 billion of total internet advertising revenue in 2010 in the U.S., online classifieds accounted for 10% or \$2.6 billion, up 15% from the \$2.3 billion reported in  $2009^{5}$ .

### U.S. Online Classifieds Market



### 2010 Total Online Advertising Revenues: \$26.0 B



The internet advertising market was impacted by the economic conditions in 2009, with marketers undergoing significant ad spending cuts. According to IAB, overall internet advertising revenue fell from \$23.4 billion in 2008 to \$22.7 billion in 2009, and online classifieds revenue fell from \$3.2 billion to \$2.3 billion. However, since the fourth quarter of 2009, the advertising market has rebounded strongly, with marketers especially allocating more of their dollars to digital media for its accountability and because consumers are spending more of their leisure time online5

According to a survey report published by the Pew Research Center⁸, the number of online adults who have used classified ads websites more than doubled between 2005 (22%) and 2009 (49%). The report also showed that internet users ages 25-44 are significantly more likely than any other age group -- including 18-24 year olds -- to use classified ads. 62% of online 25-34 year olds and 57% of 35-44 year olds use online classified ads, compared with 49% of online 18-24 year olds and 48% of online 45-54 year olds.

⁵ IAB Internet Advertising Revenue Report, 2010 Full Year Results, April 2011 ⁵ http://www.pewinternet.org/~/media//Files/Reports/2009/PiP%20-%20Online%20Classifieds.pdf

### Percentage of Internet Users in Age Groups to Use Classifleds Ads Sites in 2009

All internet users	49%	9%
	****	
Ages 18-24	49%	11%
' Ages 25-34	62%	16%
Ages 35-44	57%	10%
Ages 45-54	48%	7%
Ages 55-64	35%	4%
Ages 65+	26%	3%

The evolution of the internet and the widening presence of broadband and internet connected devices has fueled the growth of several internet classifieds businesses. Posting online ads has become significantly easier without the deep human involvement that is required in the case of traditional media ad posting. The internet medium also significantly interview reasonase times and is also available "on-the-go", given the widespread adoption of smart phones, PDAs and tablet computers today. These factors have been instrumental in improving the quality of user experience with respect to classifieds, while also bringing down the costs associated with posting ads. Recent economic conditions have also fueled the growth in the number of visits to classifieds websites as consumers seek to sell off personal items and look for deals.

### Competitive Landscape -- Online Classifieds

With limited barriers to entry for an internet business, the market for online classifieds today is highly fragmented, with a number of internet businesses focusing on a varied set of verticals, i.e., jobs, rentals, real estate, adult classifieds, etc.

### Popularity of Backpage Competitors

Competitor	Alexa Traffic Rank	Traffic Rank in US	Average Time Spent on Site (minutes) ¹
	26	10	14.0
craigslist.org	36		
careerbuilder.com	543	- 114	6.6
monster.com	537	122	5.7
zillow.com	676	136	7.4
backpage.com	680	149	10.5
realtor.com	887	169	10.0
yellowpages.com	852	201	3.2
trulia.com	1012	212	6.9
autotrader.com	1098	263	10.8
ebayclassifieds.com	2610	692	4.3
rent.com	5116	1079	5.8

(1) Average for last three months, as of 04/20/11 Source: alexa.com

Most of the classifieds businesses employ the "free" model, where posting and reading classifieds is free of charge (e.g. freeclassifieds.com) or the "pay-to-use" model, where advertisers are charged a fee for posting their ad while perusing the ads is free. Market confidence in the companies adopting the free model can be significantly undermined due to the existence of fraudulent volume-boosting ads (i.e. "spam"). A few companies follow the "freemium" model, where the users are allowed to access certain features on the website for free on an introductory basis, and then charged a subscription fee after the "free" period is

over. Backpage, like several of its competitors, primarily engages in the pay-to-use business model.

### Competitive Landscape by Verticals



### User Generated Content

User-generated content refers to any material created and uploaded to the internet by non-media professionals. UGC has been instrumental in transforming the media ecosystem—there has been a radical shift in the power that rested in the hands of a few content creators, media distributors and marketers who controlled the communication and path between advertisement and consumers. Today's advertising model is highly collaborative, collective, customized and shared, it's a world in which the consumer is the creator, consumer and distributor of content. The proliferation of quality, affordable technology and the popularity of social networks and UGC sites have significantly changed the media landscape. In 2008, UGC sites attracted 82 million users in the United States alone. By 2011, UGC sites are projected to attract 101 million users in the U.S. and earn \$4.3 billion in ad revenue.

### Content Consumption Trends

In contrast to consumers' relatively passive consumption of traditional media, the proliferation of the Internet and social media has enabled consumers to seek out and interact with content across an increasing number of websites. As a result, consumers are changing the way they discover content online, increasingly typing queries into web search engines to discover and access content from the millions of websites on the Internet. Further, advancements in web search technology and the popularity of social media have enhanced the ability to find specific content associated with personal needs and interests, leading to migration of the consumer base away from content consumed on traditional portals.

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⁷ eMarketer, "User Generated Content, Will Web 2.0 Pay its Way?" June 2007

### Content Creation Trends

The rapid evolution of audience behavior, particularly the significant fragmentation and the shift of audiences online, is changing existing content creation models. Historically, traditional media companies have generated high-cost, general interest content targeted towards a mass audience of predominantly offline consumers, and have monetized it through advertising or by selling this content directly to consumers. This traditional cost structure is less effective for creating niche content and for selling targeted advertising to fragmented audiences. At the same time, the widespread adoption of social media and other publishing tools has reduced barriers to publishing online content and has enabled a large number of individuals to create and publish content on the Internet.

### Growth of Online Job Boards

The Internet has revolutionized the hiring process for professionals as well as for recruiters and employers. Professionals experience multiple benefits from performing searches online. They are able to search for open positions that fit their qualifications and career objectives and immediately upload their resumes to apply for open positions. Prior to online offerings, recruiters and employers had a limited and relatively inflexible set of options to find employees, including newspaper classifieds and other print advertisements, traditional career fairs, on campus recruiting, internal referral programs and recruiting firms. With online solutions, recruiters and employers are able to immediately upload and update a list of open positions and can provide detailed job descriptions, along with links to relevant information for potential candidates. They can also efficiently search through online databases of resumes for candidates that fit their hiring needs.

Online employment advertising also provides relative cost advantages over print advertising. Recruiters and employers using online recruiting methods can realize substantially lower cost per hire and overall sourcing costs in comparison to traditional print classified advertisements. Typically, the price to post a job listing is lower online than in print for a comparable period of time. Factoring in the efficiency and effectiveness of online advertising further contributes to a higher return on investment for employers as online job postings are generally more accessible to a wider audience given the limitless geographic boundaries and 24/7 access the Internet affords. Moreover, online job postings can more easily be filtered for relevancy than print listings, allowing for access to a more targeted audience.

Online classifieds sites further increase the cost advantage over online job boards for employers looking to post their ads online. Employers are able to post ads to online classifieds sites for free or at a nominal cost, in contrast to the hundreds of dollars that some of the major job boards charge per ad. This also makes online classifieds sites very attractive to smaller employers and to those posting more esoteric jobs.

As the economic conditions continue to improve in the U.S., businesses, both large and small, are posting their job openings ("help wanted" ads) on online job boards and classifieds sites. At the same time, with internet more ubiquitous than ever before, unemployed persons are turning to online ads to browse for job openings as well as posting "help available" ads. According to The Conference Board Help Wanted OnLine™ data published recently, online advertised vacancies rose by over 200,000 in March 2011 to 4.5 million8.

### Competitive Landscape

The market for online recruitment solutions is highly competitive with a multitude of online and offline competitors consisting of employment related web sites, general classified advertising web sites, professional networking and social networking web sites, traditional media companies, internet portals, search engines and blogs.

### Relative Comparison of Jobs Websites

Competitor	Daily Page Views ¹	Applicants per Job Ad ²	Ad Cost Per Month ³	Reach Per Month ³
craigslist.org	0.37%	51 replies	\$25	NA.
monster.com	0.01%	7 replies	\$225	25,000,000
careerbuilder.com	0.01%	69 replies	\$419	12,000,000
indeed.com	0.02%	NA.	\$25	7,600,000
iobcircle.com	0.00%	NA.	\$225	700,000
ladders.com	0.00%	NA.	\$500	502,400
linkedin.com	0.37%	NA.	NA	NA.

- (1) Source: Alexa.com, as of April 20, 2011, represents % of daily global pageviews averaged for last three months (2) Source: oralgolists org, data as of November 2008 (3) Source: http://job-websites.find/hebest.com

### The State of Online Rental and Real Estate Market

With the increasing popularity of the internet, real estate businesses (brokers, home builders and apartment communities) shifted their advertising dollars from traditional media channels to online websites. The recent downturn in the real estate market has forced them to shift advertising spending to relatively inexpensive online channels such as classifieds sites. The market for real estate and rentals classifieds is filled with a number of web sites that offer advertising and real estate information online to real estate professionals and consumers. Several websites attract consumers by offering rebates for home purchases or rental leases, and then charge the real estate professional who performed the transaction a referral fee for the introduction.

### Representative Online Real Estate Advertising Companies

Competitor	Share of Visits ¹		
Yahoo! Real Estate	6.96%		
Realtor.com	6.20%		
Zillow	5.44%		
Trulia.com	4.76%		
AOL Real Estate	3.52%		
Rent.com	2.37%		
Homes.com	2.11%		
MSN Real Estate	1,71%		
ZipRealty	1.50%		
Apartment Guide	1.44%		

s http://www.conference-board.org/data/helpwantedonline.cfm, as of March 30, 2011

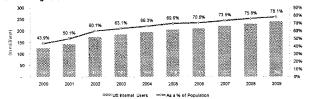
# Growth of Internet Usage

### Internet Usage and Broadband Penetration

Greater worldwide availability and affordability of internet and broadband access and the increasing significance of the internet as a communication and entertainment medium has led to global growth in the number of internet users and the time that they spend online.

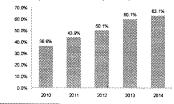
The total number of global internet users has grown from 361 million in 2000 to nearly 2.0 billion in 2010, a growth of 445%. During this time, the total number of U.S. internet users has steadily increased from 124 million in 2000 to nearly 240 million in 2009. By 2015, the U.S. population is projected to reach almost 325 million people, which could amount to over 254 million users given the current usage rate of 78.1%.

### Internet Usage in the U.S.



Notably, broadband internet is the fastest growing segment of the internet allowing for faster delivery of complex content, such as photos and video. According to the Economist Intelligence Unit, in 2010, worldwide broadband penetration was approximately 9.8% of the global population and is expected to reach 12.4% by 2014, a 6.1% CAGR in penetration ¹⁰. The increase in broadband penetration is expected to have a positive effect on user generated content and e-commerce transactions, including the purchase of content and services online as broadband connections provide faster and more convenient experiences. The number of households with high-speed broadband internet access is expected to increase from 74 million in 2008 to 93 million by 2013, according to Forrester Research.

### Global Broadband Penetration (as a % of Global Population)



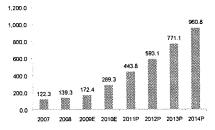
⁹ World Bank, World Development Indicators, as of April 1, 2011 ¹⁰ Economist Intelligence Unit estimates, September 2010

### Mobile Advertising

### Smartphone Adoption and the Growth of Mobile Advertising

The mobile advertising market is forecast to grow over 25.0% per year during the next five years to reach \$1.3 billion by 2014. Mobile advertising providers facilitate delivery of advertising campaigns through e-mail, video, applications, and on web pages to mobile phones and other wireless devices. The key drivers of growth in the mobile advertising market include the rapid adoption of smartphones and other mobile devices, the proliferation of mobile applications and standardization of mobile content distribution policies. Worldwide sales of smartphones are expected to grow at a CAGR of 35% over the next four years, reaching 961 million devices by 2014.

### Worldwide Smartphone Sales (in millions of units)



<ol><li>Industry Overview</li></ol>	4.	Indu	strv	Overvi	ew
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### Regulatory Matters

Companies conducting business on the internet are subject to a number of foreign and domestic laws including those relating to user privacy, freedom of expression, content, advertising, information security, internet obscenity and intellectual property rights. Some of these regulations include the following:

- The Digital Millennium Copyright Act has provisions that affect an internet company's liability for listing, linking or hosting third-party content (including UGC) that includes materials that infringe copyrights. The DMCA furnishes internet providers, such as Backpage, with legal immunity from liability for copyright infringement claims, provided it identifies an appropriate contact person to receive complaints and promptly removes material claimed to violate the copyright rights of others.
- In the area of data protection, many states have passed laws requiring notification to
  users when there is a security breach for personal data, such as California's Information
  Practices Act.
- The federal Controlling the Assault of Non-Solicited Pornography and Marketing ("CAN-SPAM") Act and state anti-spam laws impose certain requirements on the use of e-mail.
- The Federal Communications Commission (FCC) recently rolled out new rules on network neutrality, which could mean that companies like Google's YouTube which consume a lot of bandwidth may have to pay a premium to have it delivered.
- The Communications Decency Act of 1996 ("CDA") attempts to regulate pornographic
  material on the internet and provides legal immunity against claims asserted by private
  parties or law enforcement based on alleged violations of state law.
- The Children's Online Privacy Protection Act restricts the ability of online services to collect information from children under 13.

Section 5

# **Financial Overview**

### 5. Financial Overview

### Financial Summary

### Important Note:

This Memorandum includes certain statements and pro forma estimates provided by Backpage with respect to the performance of the Company. Such statements and projections reflect various assumptions made by the Company concerning the results that may or may not prove to be correct. No representations are made as to the accuracy of such assumptions, statements, or projections. The only information that will have any legal effect will be that specifically represented in a definitive agreement.

### Review of Performance

### Income Statement

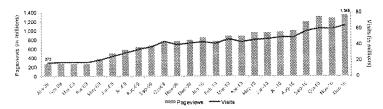
2010 528,268 1,384 297 529,948 (\$2,440) 527,508	\$36,970 1,446 345 \$38,761 (\$3,019)
1,384 297 329,948 (\$2,440)	1,446 345 \$38,761
1,384 297 329,948 (\$2,440)	1,446 345 \$38,761
297 529,948 (\$2,440)	345 \$38,761
(\$2,440)	\$38,761
(\$2,440)	
<del></del>	(\$3,019)
27,508	
	\$35,743
154.3%	133.5%
\$125	\$225
2,689	3,225
2,887	4,126
1,067	811
\$6,767	\$8,388
20,741	\$27,355
\$289	\$403
\$20,452	\$26,952
68.3%	69.5%
\$8	\$11
320,443	\$26,940
68.3%	69.5%
	\$125 2,689 2,887 1,067 \$6,767 320,741 \$289 \$20,452 68.3% \$8

Notes:
(1) includes revenues from print upselts, Google, hosting, maintenance and licenses
(2) includes IT expenses associated with Electronic Publisher
(3) includes property taxes and discretionary expenses

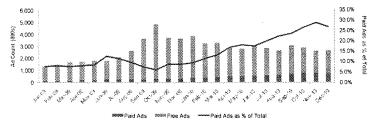
### Revenue

Between FY09 and FY10, Backpage's gross revenue grew from \$11.7 million to \$29.9 million. The Company has experienced a strong increase in ad postings in the last two years, with total ads (paid and free) increasing 18.5% from 29.7 million in FY09 to 35.2 million in FY10. During this time, the number of monthly page views has increased from 272 million in January 2009 to over 1.3 billion in December 2010. The average number of pages per visit has remained steady during the period, with each visitor viewing approximately 19 pages on average.

### Historical Monthly Page Views and Visits (Monthly Data Normalized to 30.5 days)

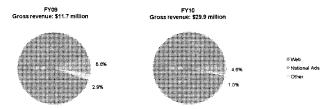


### Historical Monthly Paid and Free Ad Postings (Monthly Data Normalized to 30.5 days)



In the last two years, Backpage has further increased its online presence, growing its ad count from 1.2 million in January 2009 to 2.6 million in December 2010. Over the same period, the percentage of paid ads has increased from 7.7% to 26.7%

### Gross Revenue Distribution for FY09 and FY10

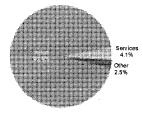


Backpage has revenue sharing arrangements with 30 third-party partners through either a License agreement or "Powered By" agreement. These agreements spell out the rights of each party including term and termination provisions and revenue sharing splits. The percentage of revenue shared with the partner is dependent on several factors including the source of the revenue, i.e., revenue derived through the local domain or Backpage domain, national ads and sponsor ads. In FY10, third party revenue sharing arrangements represented 2.9% of gross revenue, or \$867,082.

Backpage also derives a relatively insignificant amount of revenue from hosting and maintenance of virtual Backpage sites for certain Licensees. Together with revenues derived from posting sponsored add from Google's AdSense program, these accounted for approximately \$0.3 million in each of FY09 and FY10.

Despite comprising only roughly 15.5% of total ad volume, Adult ads form the bulk of the revenue from paid ads on Backpage sites. For the seven weeks ended April 11, 2011, ads in the Adult category contributed 93.4% of the average weekly revenue for Backpage, followed by ads in Services, which contributed 4.1%. The remaining categories including Jobs, Automotive, Buy/Seli/Trade, Community, Musician, Personals, Real Estate and Rentals together contributed for only 2.5% of the net revenue for the period.

# Distribution of Revenue by Category (Average Weekly Paid Ad Revenue for the Seven Weeks Ended April 11, 2011)

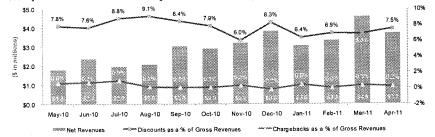


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Because the majority of ad purchases are paid via credit or prepaid debit card, Backpage incurs fees from third party processors, which are a discount to gross revenue. In FY10, the Company paid credit card processing fees of \$2.3 million (or 8.0% of gross revenue). Chargebacks, which occur when an advertiser cancels through their credit card customer service and not through the Company, accounted for less than 0.4% of gross revenues.

### Monthly Net Revenues and Discounts and Chargebacks for the LTM Ended April 30, 2011



### Operating Expenses

Backpage's operating expenses can be categorized into advertising and marketing costs, electronic publishing expenses, administrative expenses and other costs.

### Advertising and Marketing Costs

Backpage uses online advertising campaigns such as Google AdWords to acquire customers and incurs upfront acquisition costs which it immediately expenses. In FY10, Backpage incurred \$125,000 of advertising and marketing costs.

### Electronic Publishing and IT Expenses

Backpage pays a monthly fee to a third party provider for: software development; hosting and maintenance of the Backpage software, including ad entry and ad serving, co-location expenses and 24/7 support of the site. This expense category also includes payroll and commission expenses related to site marketing and category development. The category total expense of \$2.7 million in FY10 is up over FY09 expense of \$1.1 million due to increased spending in these areas to support site growth.

### Staffing Expenses

Backpage incurred administrative expenses of \$2.9 million in FY10, up from \$1.4 million in FY09. This increase is largely attributable to staffing costs increases (payroll and benefits) necessary to support growth and the costs of a third party to help moderate site content.

### Intercompany Expenses

Direct Backpage expenses paid by a sister city are charged to Backpage via intercompany. In addition, Backpage is allocated its proportionate share of certain expenses that are incurred at the parent level for the benefit of each operating entity. Intercompany expenses can be categorized into three separate areas:

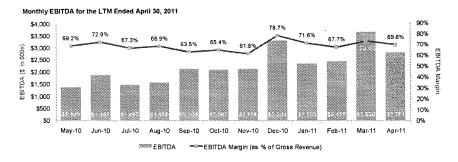
- Direct Backpage expenses paid by a sister city are charged to Backpage. These
  charges include Backpage payroll and benefits paid from its Dallas location and any
  miscellaneous Backpage related expenses.
- Backpage is charged a rent allocation for the space used by the Backpage operations in Dallas and Phoenix based on square footage. For FY10 these allocations were as shown below.

Location	n Rent allocated to Backpage				
Dallas	\$42,129				
Phoenix	\$64,130				
Total	\$106,259				

Backpage is charged an allocation from VVMH for its proportionate cost of services incurred at the parent level but for the benefit of each of the operation units, including Backpage. These expense allocations include: corporate IT (license fees, internet connection etc.), human resources, in-house counsel, commercial insurances, legal, audit, and tax services. These expenses are allocated amongst all the VVMH entities based on several factors including, revenues, headcount and tangible asset values. For 2010 these allocations to Backpage amounted to \$0.2 million.

### EBITDA

In FY09 and FY10, Backpage enhanced its offering by adding new cities and expanding the ad categories across a broader set of verticals. In addition, the strategic decision by its major competitor, Craigslist, to exit the adult categories significantly boosted revenues and profitability for Backpage. The Company's EBITDA grew from \$8.0 million in FY09 to \$20.5 million in FY10, while maintaining an EBITDA margin of 68.3%.



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### Balance Sheet

The following chart reflects the historical Backpage summary balance sheet for the years ended December 31, 2009 and December 31, 2010 and the period ended April 30, 2011.

### Historical Balance Sheet

(\$000s)			As of April 30,	
As of December 31,	2009	2010	2011	
Assets				
Current Assets				
Cash	\$72	\$896	\$623	
Accounts Receivable	121	25	46	
Other Current Assets	54	65	50	
Total Current Assets	\$248	\$985	\$719	
Fixed Assets, Net	\$11	\$41	\$45	
Other Assets	23	41	41	
Total Assets	\$282	\$1,067	\$804	
Liabilities				
Current Liabilities				
Accounts Payable	\$0	\$52	\$57	
Accrued Expenses	317	836	550	
Other Current Liabilities	9	66	1,144	
Total Current Liabilities	\$326	\$954	\$1,750	
Total Liabilities	\$326	\$954	\$1,750	
Total Equity	(45)	113	(946)	
Total Liabilities and Equity	\$282	\$1,067	\$804	

Almost all transactions on Backpage are paid with debit and prepaid credit cards. Charges are selfled in three trusiness days. The Company's superior each conversion model and high operating margins creates an attractive working capital profile.

The bulk of Backpage's liabilities are comprised of revenue sharing payments due to partners, accrued moderation fees due to the third party moderating company, accrued payroll and bonuses and accrued legal expenses.

### Working Capital:

Backpage's fast settlement of credit card charges and its high operating margins facilitates a negative working capital position as shown in the following exhibit. Accrued expenses primarily consist of accrued payroll representing gross salaries, bonuses and commissions paid to Backpage's employees and payments due to partners from revenue sharing.

The Company benefits from a highly scalable model, which does not require a significant increase in the number of employees to grow revenue. In FY10, Backpage invested heavily in human resources expanding the full-time employee base from 43 to 73 individuals. The Company expenses most of its costs associated with the operations and requires very little investment for capital expenditures associated with domain name purchases and infrastructure (employee desktops and internal servers).

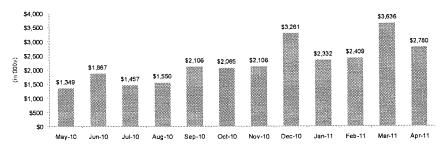
### Net Working Capital Summary

(\$000s)			As of April 30	
As of December 31,	2009	2010	2011	
Accounts Receivable	\$121.4	\$24.8	\$45.6	
Other Current Assets	53.9	64.6	50.0	
Total Current Assets	\$175.3	\$89.4	\$95.6	
Accounts Payable	\$0.1	\$51.8	\$56.7	
Accrued Expenses	317.4	836,4	550.1	
Other Current Liabilities	8.9	65.9	1,143.6	
Total Current Liabilities	\$326.4	\$954.1	\$1,750.4	
Net Working Capital	(\$151.1)	(\$864.7)	(\$1,654.8)	

### Cash Flow from Operations:

Backpage's superior cash conversion cycle has resulted in cash flow from operations increasing from \$8.0 million in FY09 to \$20.4 million in FY10. In the LTM period ended April 30, 2011, the Company generated \$26.9 million of cash flow from operations. The Company recognizes its receivables over a 4-4-5 week period for each quarter, resulting in higher cash flow from operations for every third month as shown in the chart below.

### Monthly Free Cash Flow from Operations for the LTM Ended April 30, 2011



### 5. Financial Overview

### Projected Performance

Backpage is positioned to continue its tremendous growth by executing on several initiatives including (i) focusing its marketing and category development efforts on monetizing the tremendous content in these under developed categories, (ii) refining pricing in categories currently being monetized, and (iii) expanding internationally. The Company believes these initiatives are core drivers of Backpage's projected growth in EBITDA from \$20.5 million in FY10 to \$105.5 million in FY16.

### Projected Financial Performance - Summary Income Statement

(\$000s)				LTM						
Fiscal Year Ending December 31,	2008	2009	2010	Apr-11	2011 (P)	2012 (P)	2013 (P)	2014 (P)	2015 (P)	2016 (P)
Gross revenue	\$5,308	\$11,665	\$29,948	\$38,761	\$50,296	\$59,638	\$72,122	\$85,587	\$103,997	\$136,507
Less: Discounts and chargebacks	(\$258)	(\$849)	(\$2,440)	(\$3,019)	(\$4,154)	(\$5,367)	(\$6,491)	(\$7,703)	(\$9,360)	(\$12,286)
Net revenue	\$5,050	\$10,816	\$27,508	\$35,743	\$45,142	\$54,271	\$65,631	\$77,884	\$94,638	\$124,221
Net revenue YaY growth		114.2%	154.3%	133.5%	67.7%	17.6%	20.9%	18.7%	21.5%	31.3%
Operating expenses										
Advertising and marketing	\$74	\$44	\$125	\$225	\$410	\$500	\$905	\$911	\$917	\$923
Electronic publisher expenses 1	721	1,071	2,689	3,225	3,262	3,832	4,381	5,045	5,980	7,539
Adminstrative	896	1,403	2,887	4,126	5,202	6,865	7,922	8,503	9,202	9,693
Other ²	0	119	1,067	811	150	200	250	300	350	400
Total operating expenses	\$1,690	\$2,536	\$6,767	\$8,388	\$9,023	\$11,397	\$13,457	\$14,759	\$16,448	\$18,755
Operating income	\$3,360	\$8,180	\$20,741	\$27,355	\$37,119	\$42,874	\$52,174	\$63,126	\$78,189	\$105,466
Corporate allocation expenses	\$115	\$148	\$289	\$403	\$664	\$0	\$0	\$0	. \$0	\$0
EBITDA	\$3,245	\$8,032	\$20,452	\$26,952	\$36,454	\$42,874	\$52,174	\$63,126	\$78,189	\$105,466
EBITDA margin (% of gross revenue)	61.1%	68.9%	68.3%	69.5%	72.5%	71.9%	72.3%	73.8%	75.2%	77.3%
Depreciation & amortization expense	\$0	\$0	\$8	\$11	\$9	\$30	\$30	\$30	\$30	\$30
EBIT	\$3,245	\$8,032	\$20,443	\$26,940	\$36,445	\$42,844	\$52,144	\$63,096	\$78,159	\$105,436
EBIT margin (% of gross revenue)	61.1%	68.9%	68.3%	69.5%	72.5%	71.8%	72.3%	73.7%	75,2%	77.2%

Notes:
(1) Includes IT expenses associated with Electronic Publisher
(2) Includes property taxes and discretionary expenses

### Key Assumptions

### Income Statement Assumptions

Backpage has formulated a detailed international expansion strategy coupled with monetization of the key categories that is expected to grow revenues significantly over the next five years.

### Pageviews:

The Company has assumed pageviews to grow significantly in the Jobs, Automotive, Buyl/Sell/Trade and Personals categories (100% growth annually), while assuming moderate growth (3% annually) for the Adult category.

In North America, the Company is forecasting annual pageviews to grow from nearly 16 billion in 2011 to nearly 37 billion by 2016. In addition, the Company is estimating that pageviews in the U.K. will double annually, growing from 115 million in 2012 to 925 million in 2015, and reaching 1.3 billion by 2016. The Company plans to begin offering its services in the Australian and other international markets in 2012 and estimates that pageviews will increase from 238 million in 2012 to 2.8 billion by 2016. In other European countries (France, Germany and Italy) where the Company expects to begin operations in 2013, the annual pageviews are assumed to grow from 386 million in 2013, nearly doubling every year to reach 2.8 billion by 2016.

The Company has assumed that the average number of paid ads to increase according to the following schedule.

### Projected Increase in Average Number of Paid Ads (in 000s)

Region	2011	2012	2013	2014	2015	2016
N. America	8060	8769	9585	11373	13625	18449
U.K. and Ireland		112	223	446	901	1270
Australia, N. Zealand, and L. America		223	445	879	1726	2702
Other European Countries			335	650	1259	2462

Further, based on historical data, average revenue per paid ad is estimated to be between \$3 and \$4 throughout the projected period.

### Discounts and Chargebacks:

8.2% discounts and 0.8% chargebacks are assumed for the projected period, consistent with historical performance.

### Advertising and Marketing Expenses:

Advertising and Marketing expenses are assumed to grow to \$500,000 in 2012 and almost double in 2013, to \$905,000 to support category development and build traffic for new languages. Thereafter, advertising and marketing expenses are assumed to remain nearly constant.

### Electronic Publishing Expenses:

Hosting expense is assumed to increase in proportion with annual pageviews. Affiliate commissions for new regions are assumed to start at 75% for the first year, declining to 25% over a five year period as the site gains traffic organically.

### Administrative and Payroll Expenses:

Administrative and Payroll Expenses are assumed to grow from \$6.9 million in 2012 to \$9.9 million in 2016, as the Company grows its headcount to support its international presence and category development.

Section 6

# Appendix

### Terms of Use

Updated May 18, 2010

### Objectives/Content:

The backpage.com web site ("Site") contains content that is provided as a service to users who agree to abide by the following acceptable conduct terms. Your right to use the Site is governed by these Terms of Use and our <a href="Privacy Policy">Privacy Policy</a> (collectively, "Terms") and you should take the time to review both carefully before you use the Site. By using the Site in any way, you are agreeing to comply with these Terms.

The Site reserves the right to change the Terms at any time and for any reason. Updated versions of the Terms will be posted to the Site at <a href="mailto:backpage.com">backpage.com</a> and you should visit this page periodically to keep apprised of any changes. By continuing to use the Site after any such change, you accept and agree to the modified Terms. The Site reserves the right to modify or discontinue, temporarily or permanently, the Site, any site features, benefits (including without limitation blocking or terminating your Account), rules or conditions, all without notice, even though such changes may affect the way you use the Site. You agree that the Site will not be liable to you or any third-party for any modification or discontinuance of the Site.

### **User Conduct:**

Without limitation, you agree to refrain from the following actions while using the Site:

- 1. Harassing, threatening, embarrassing or causing distress or discomfort upon another individual or entity or impersonating any other person or entity or otherwise restricting or inhibiting any other person from using or enjoying the Site;
- 2. Transmitting any information, data, text, files, links, software, chats, communication or other materials that is unlawful, false, misleading, harmful, threatening, abusive, invasive of another's privacy, harassing, defamatory, vulgar, obscene, hateful or racially or otherwise objectionable, including without limitation material of any kind or nature that encourages conduct that could constitute a criminal offense, give rise to civil liability or otherwise violate any applicable local, state, provincial, national, or international law or regulation, or encourage the use of controlled substances;
- 3. Posting advertising or solicitation in categories that is not appropriate, or posting the same item or service in more than one category or more than once every 7 days, or posting the same ad in multiple cities on the Site;
- 4. (a) Posting adult content or explicit adult material unless: (i) such material is specifically permitted in designated adult categories and permitted under applicable federal, state, and local law; and (ii) you are at least 18 years of age or older and not considered to be a minor in your state of residence;
- (b) Posting, anywhere on the Site, obscene or lewd and lascivious graphics or photographs which depict genitalia or actual or simulated sexual acts, as determined in the sole discretion of backpage.com; (c) Posting any solicitation directly or in "coded" fashion for any illegal service exchanging sexual favors
- for money or other valuable consideration;
- (d) Posting any material on the Site that exploits minors in any way;(e) Posting any material on the Site that in any way constitutes or assists in human trafficking.
- 5. Posting any ad for products or services, use or sale of which is prohibited by any law or regulation;
- 6. Sending mail, e-mail, voice messages or faxes for solicitation of any other product, or service to a user of the Site unless the user has granted permission in their ad or otherwise allowed contact for solicitation;
- 7. Deleting or revising any material posted by any other user;
- 8. Interfering with or infringing the patents, copyrights, trademarks, service marks, logos, confidential information or intellectual property rights of others;

- 9. Using any automated device, spider, robot, crawler, data mining tool, software or routine to access, copy, or download any part of the Site unless expressly permitted by the Site;
- 10. Taking any action creating a disproportionately large usage load on the Site unless expressly permitted by the Site:
- 11. Sending messages or engaging in disruptive or damaging activities online, including excessive use of scripts, sound waves, scrolling, or use of viruses, bots, worms, time bombs, Trojan horses or any other destructive element:
- 12. Gaining or attempting to gain unauthorized access to non-public areas of the Site. In addition, if you have a password to a non-public area of the Site, you may not disclose to, or share your password, with any third parties and/or use your password for unauthorized purposes;
- 13. Attempting to decipher, decompile, disassemble or reverse engineer any of the software comprising or in any way making up all or any part of the Site; modifying any meta data, copying or duplicating in any manner any of the content; framing of or linking to any of the Site, its content or information available from the Site without the express written consent of agents of the Site;
- 14. Discriminating on the grounds of race, religion, national origin, gender, disability, age, marital status, sexual orientation, or refers to such matters in any manner prohibited by law;
- 15. Posting any employment ads violating the anti-discrimination provisions of the Immigration and Nationality Act or messages which violate any law or regulation;
- 16. Using the Site to engage in or assist another individual or entity to engage in fraudulent, abusive, manipulative or illegal activity.
- 17. Posting free ads promoting links to commercial services or web sites except in areas of the Site where such ads are expressly permitted;
- 18. Posting any material advertising weapons the use, carrying, or advertising of which is prohibited by applicable federal, state, or local law. You are solely responsible for complying with any and all laws and/or regulations applicable to the transfer of firearms under both applicable local, state and federal laws. The transfer of firearms is heavily regulated and restricted, and failure to strictly comply with all such laws is a serious crime and may result in criminal prosecution. All transfers of firearms, whether by sale, lease or loan, including private transactions, must go through a licensed firearms dealer. Any exception to these laws, such as air guns, knives, accessories, certain antiques, and some gun parts that may not require transfer by a licensed dealer, should be first confirmed by you prior to purchase. It is your responsibility to comply with all such laws, including any and all city, county, state and Federal laws when accessing or using this site. It is also your responsibility to locate one or more licensed firearm dealers in your area and/or the area of any buyer or seller listing here who are able and willing to assist you with any such transfer. We do not offer any assistance with respect to locating a licensed dealer for your transaction or otherwise with respect to your transaction. By listing any firearm, you represent and warrant to us that you legally own and possess the item you wish to list here and have fully complied with and will continue to fully comply with all laws and regulations applicable to your listing, transfer and/or sale. By agreeing to purchase any firearm, you represent and warrant to us that you are of legal age, and are not otherwise prohibited by law from purchasing, transferring, owning, or possessing the firearm listed, and that you have fully complied with and will continue to fully comply with all laws and regulations applicable to your transfer or purchase;

Please report any violations of these Terms to: <a href="mailto:abuse@backpage.com">abuse@backpage.com</a>

You agree to comply with all applicable laws, statutes, regulations, and ordinances concerning your use of the Site.

### Use of Materials:

Any ads or messages that you post, transmit, or otherwise make available for viewing on public areas of the Site will be treated as non-confidential and non-proprietary to you. You understand and agree that any such ads and messages may be used by the Site or our affiliates, without review or approval by you, for any purpose whatsoever, and in any medium, including our print media, if any. You grant the Site (and our affiliates) the irrevocable right to use and/or edit your ads and messages, without review or approval by you, for any purpose whatsoever, including, without limitation, reproduction, disclosure, transmission, publication, broadcast, posting, and advertising in any media in perpetuity without notice or compensation to you.

### Fair Housing:

All real estate advertising is subject to Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended. Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). The Site will not knowingly accept any real estate advertising which is in violation of any applicable law. Users are hereby informed that all dwellings advertised on the Site are available on an equal opportunity basis. To complain of discrimination call HUD toll-free at 1-800-669-9777. The toll-free number for the hearing impaired is 1-800-927-9275.

You acknowledge and agree that you will not submit or post any ad which discriminates based on race, color, national origin, religion, sex, sexual orientation, familial status and /or handicap/disability. If you see any ad or posting which discriminates based on any of the above factors, you are encouraged, in addition to contacting HUD, to report such ad or posting by clicking on the "Report this Ad" link located on the ad page. You understand that we shall have the right, but not the obligation, to remove, edit or delete any ad.

### Termination of Access:

The Site has the right terminate your access for any reason if we believe you have violated these Terms in any manner. You agree not to hold the Site liable for such termination, and further agree not to attempt to use the Site after termination.

### No Third Party Beneficiaries:

You agree that, except as otherwise provided in this Terms of Use, there shall be no third party beneficiaries to these Terms.

### Copyright and Trademarks:

All materials on the Site, including without limitation, logos, images, text, illustrations, audio and video files are protected by copyrights, trademarks, service marks, or other proprietary rights which are either owned by or licensed to the Site or owned by other parties who have posted on the Site. Materials from the Site and from any other web site owned, operated, controlled, or licensed by the Site may not be copied, reproduced, republished, uploaded, posted, transmitted, or distributed in any way.

In posting content on the Site, you grant the Site, and its owners and licensees, the right to use, reproduce, distribute, translate, modify, adapt, publicly perform, publicly display, archive and create derivative works from the posted content.

### Notification of Infringement

If you believe that your work has been copied in a way that constitutes copyright infringement, or your intellectual property rights have been otherwise violated, please provide the following information to the Site's Copyright Agent:

- 1. An electronic or physical signature of the person authorized to act on behalf of the owner of the copyright or other intellectual property interest;
- 2. A description of the copyrighted work or other intellectual property that you claim has been infringed;
- 3. A description of where the material that you claim is infringing is located on the Site;
- 4. Your name, address, telephone number and e-mail address;
- 5. A signed statement by you that you have a good faith belief that the disputed use is not authorized by the copyright owner, its agent, or the law; and
- 6. A statement by you, made under penalty of perjury, that the information provided in your Notice is accurate and that you are the copyright or intellectual property owner or authorized to act on the copyright or intellectual property owner's behalf.

Our copyright agent can be reached as follows:

Copyright Agent Backpage.com LLC 1201 East Jefferson St. Phoenix, AZ 85034

Fax: 602-407-1717

Email: abuse@backpage.com (Please put Copyright Infringement in the subject line)

The Site may, under appropriate circumstances and at our own discretion, disable and/or terminate the accounts of users who may be repeat infringers.

### Privacy Policy:

The Site has created a Privacy Policy setting forth how information collected about you is collected, used and stored. Your use of the Site constitutes acknowledgment and agreement with our privacy policy. You further acknowledge and agree that The Site may use your personal information in the manner described in our <u>Privacy Policy</u>.

### Posting of Ads:

You understand that each time you post an ad on this Site or otherwise use the Site, you agree to these Terms. By agreeing to these Terms, you acknowledge that the Site may send you e-mail messages telling you about products and services offered by the Site (or its affiliates and partners) You understand and agree that such communications are part and parcel of your registration for and use of the Site; if you do not wish to receive further communications from the Site (or its affiliates and partners), you must cancel your registration by sending a cancellation notice to <a href="mailto:support@backpage.com">support@backpage.com</a>.

### Fees:

The Site may impose a fee on the posting of Content in certain areas of the Site. Users uploading Content to fee-based areas are responsible for such Content and for compliance with these Terms. Under no circumstances will the Site provide a refund in the event that Content is removed from fee-based areas for violation of these Terms.

### Links:

The Site has no control over and is not responsible for the content of or claims made on websites that may be linked to or from the Site, whether or not they may be affiliated with the Site. Any websites linked to or from the Site are for your convenience only, and you access them at your own risk.

### Release:

The Site assumes no responsibility for the accuracy, currency, completeness or usefulness of information, views, opinions or advice in any material contained on the Site. In addition, it does not endorse any opinions or recommendations posted by others. Any information posted on the Site is the responsibility of the person or persons posting the message. Any user who violates the Terms may be permanently banned from posting ads or using the Site. You understand that all postings, ads, messages, advertisements, photos, sounds, images, text, files, video or other materials (collectively "Content") posted on, transmitted through, or linked from the Site, are solely the responsibility of the person from whom such Content originated. You understand that the Site does not control, and is not responsible for Content available on the Site. You agree that the Site does not pre-screen, monitor or approve any Content, but that the Site shall have the right, but not the obligation to remove, move (including moving an ad or posting to another section or category within the classifieds), refuse, edit or delete any Content for any reason whatsoever. The Site shall not be responsible for any interaction between you and the other users of the Site. Your dealings with others through the Site are solely between you and such other parties. Under no circumstances will the Site be liable for any goods, services, resources or content available through such third party dealings or communications, or for any harm related thereto. The Site is under no obligation to become involved in any disputes between you and other users of the Site or between you and any other third parties.

You agree that our service is a venue for posters and users of the Site. In the event that you have a dispute with any user of the Site, you agree that the Site is under no obligation to become involved. You further agree to release the Site from any and all claims, demands, and damages arising out of or in connection with such dispute.

You are entirely responsible and liable for any ad content you post or any ad that is posted through your Account.

The Site does not offer any refunds for the early cancellation of paid sponsor ads or paid print ads. We do not issue credits or refunds due to our extremely low rates and minimal administrative staff.

You acknowledge, consent and agree that the Site may access, preserve and disclose your account information and Content you upload, post, or otherwise make available on the Site if required to do so by law or in a good faith belief that such access, preservation or disclosure is reasonably necessary to: (i) comply with legal process; (ii) comply with legal requirements imposed by Federal, State or Local law or authorities (iii) enforce these Terms; (ivi) respond to claims that any Content violates the rights of third parties; (iv) respond to your requests for customer service; or (vi) protect the rights, property or personal safety of the Site, its users and the public.

### Disclaimer of Warranties for Site:

YOU EXPRESSLY AGREE THAT USE OF THE SITE IS AT YOUR OWN RISK. THE SITE SHALL NOT BE RESPONSIBLE FOR ANY CONTENT FOUND ON THESE CLASSIFIEDS. THE SITE EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. THE SITE MAKES NO WARRANTY THAT ITS CLASSIFIEDS OR USE OF THE SITE WILL BE UNINTERRUPTED, TIMELY, SECURE, WITHOUT DEFECT OR ERROR FREE. THE SITE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" RASIS

YOU ACKNOWLEDGE AND AGREE THAT ANY MATERIAL, AND/OR DATA DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THIS WEB SITE IS DONE AT YOUR OWN DISCRETION AND RISK AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES TO YOUR COMPUTER SYSTEM OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OF SUCH MATERIAL AND/OR DATA.

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES, SO SOME OF THE ABOVE EXCLUSIONS MAY NOT APPLY TO YOU.

### Limitation of Liability:

The information, services and products available to you on this Site may contain errors and are subject to periods of interruption. While the Site does its best to maintain the information, services and products it offers on the Site, it cannot be held responsible for any errors, defects, lost profits or other consequential damages arising from the use of the Site.

IN NO EVENT SHALL THE SITE OR ITS AFFILIATES, OWNERS, AGENTS, DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES, SPONSORS, SUPPLIERS, OR PARTNERS (COLLECTIVELY "INDEMNIFIED PARTIES") BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY DIRECT, INDIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL, EXEMPLARY DAMAGES, OR ANY DAMAGES WHATSOEVER, ARISING FROM OR IN ANY WAY CONNECTED OR RELATING TO (i) THE USE OF (OR INABILITY TO USE), OR PERFORMANCE OF THIS SITE, (ii) ANY INFORMATION, SERVICES OR PRODUCTS PROVIDED THROUGH THIS SITE, OR (iii) ANY INTERACTION BETWEEN YOU AND OTHER PARTICIPANTS OF THE SITE, EVEN IF ANY OF THE INDEMNIFIED PARTIES HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. YOU ACCEPT ALL RESPONSIBILITY FOR, AND HEREBY AGREE TO INDEMNIFY AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM AND AGAINST, ANY ACTIONS TAKEN BY YOU OR BY ANY PERSON AUTHORIZED TO USE YOUR ACCOUNT, INCLUDING WITHOUT LIMITATION, DISCLOSURE OF PASSWORDS TO THIRD PARTIES. BY USING THE SITE, YOU AGREE TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM ANY AND ALL LIABILITY REGARDING YOUR USE OF THE SITE OR PARTICIPATION IN ANY SITE'S ACTIVITIES.

IF YOU ARE DISSATISFIED WITH THE SITE, OR ANY PORTION THEREOF, OR DO NOT AGREE WITH THESE TERMS, YOUR ONLY RECCURSE AND EXCLUSIVE REMEDY SHALL BE TO STOP USING THE SITE.

If you are a California resident, you waive any rights you may have under California Civil Code § 1542, which states: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

### Indemnity:

You agree to indemnify and hold harmless the Indemnified Parties from any claim or demand, including reasonable attorneys' fees, made by any third party due to or arising out of your use of the Site, the violation of these Terms by you, or the infringement by you, or other users of the Site using your computer, of any intellectual property or other right of any person or entity. The Site reserves the right, at its own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you.

### Jurisdiction and Choice of Law:

These Terms shall be governed by, construed and enforced in accordance with the laws of the State of Arizona without regard to its choice of law provisions. Any action you or any third party may bring to enforce these Terms, or in connection with any matters related to the Site, shall be brought only in either the state or Federal courts located in Arizona, and you expressly consent to the jurisdiction of said courts. You also agree that regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to use of the Site or the Terms must be filed within one (1) year after such claim or cause of action arose or be forever barred.

### General:

These Terms constitute the entire agreement between you and the Site and govern your use of the Site, superseding any prior agreements between you and the Site. You also may be subject to additional terms and conditions that may apply when you use affiliate services, third-party content or third-party software, or visit another site linked to by this Site. The section titles in these Terms are for convenience only and have no legal or contractual effect.

### Violations:

Please report any violations of these Terms to: abuse@backpage.com

### Severance and Waiver:

You acknowledge and agree that if any provision of these Terms shall be unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from these Terms and shall not affect the validity and enforceability of any remaining provisions. Furthermore, if any provision of these Terms is found by a court of competent jurisdiction to be invalid, the parties nevertheless agree that the court should endeavor to give effect to the parties' intentions as reflected in the provision.

The Site's failure to exercise or enforce any right or provision of these Terms shall not constitute a waiver of such right or provision unless acknowledged and agreed to by the Site.

## **Privacy Policy**

Backpage.com (the "Site") respects your privacy. Here's our privacy policy for this Site:

### Personally Identifiable Information

The Site will not provide our advertisers or anyone else outside the Site with any information specific to you collected from the Site unless we have your consent. The only Site employees or consultants allowed access to personal information about you are those who need to have access. Any employee or consultant who violates our privacy and security policies is subject to disciplinary action, including possible termination or prosecution.

### What Information is Collected and Used:

We will not release your name, e-mail address or any other personal information to anyone else outside the Site unless we have your consent. However, we may disclose your personal information if (i) required to do so by law, court order or subpoena, or as requested by other government, law enforcement, or investigative authority, (ii) we in good faith believe that such disclosure is necessary or advisable, including without limitation to protect the rights or properties of the Site, (iii) we have reason to believe that disclosing your personal information is necessary to identify, contact or bring legal action against someone who may be causing interference with our rights or properties, or has breached an agreement, or if anyone else could be harmed by such activities or interference, (iv) if we determine an ad posted violates our terms of use or the rights of a third party, or (v) there is an emergency involving personal danger.

Please note that if you post any of your personal information on the Site, such information may be collected and used by others over whom the Site has no control. The Site is not responsible for the use by third parties of information you post or otherwise make public.

### Cookies

"Cookies" are small text files that allow Web sites to store and retrieve information about you from your computer system. The Site does serve cookies to track individual site usage for later aggregation. But we do not use cookies in order to retrieve any information from your computer other than information originally sent in a Site cookie, such as a user code. We have no control over whether and how our advertisers use cookies that originate from their website.

### Communication from the Site

From time to time, we may send you information with announcements and updates about the Site and your account. You may elect to opt-out of ongoing e-mail communication from us, such as newsletters, subscriptions, account information, promotional materials, contest resuits, survey inquiries, etc. by using a simple "opt out" procedure. You need only reply to the communication with the word "unsubscribe" (without the quotation marks) in the body of your e-mail response and your name will be removed from that mailing list. However, if you opt-out of receiving our announcements and updates about your account, you may no longer have access to areas restricted to account members.

### Correction/Update of Personal Information:

If your personal information changes, you may review/correct/update your personal information previously provided at any time by sending us an email at <a href="mailto:support@backpage.com">support@backpage.com</a>. You may also have your personal profile data deleted from our database by sending us an email to <a href="mailto:support@backpage.com">support@backpage.com</a>. However, if you have your personal profile data deleted from our database, you may forfeit entrance rights to areas restricted to account members and certain benefits for account members.

### Children

The Site is not intended for children under the age of 13 nor does the Site knowingly collect personal information from children under 13. The Site does not orient this Site toward children or target them as an audience, nor does it screen them from using the Site. Some of the material on this Site is for mature audiences, and parents and guardians should take responsibility for monitoring their children's use. The Site does not collect or distribute information indicating whether a user is a child.

### Links to Other sites

This Site provides links and pointers to Web sites maintained by other organizations. The Site provides these links as a convenience to users, but it does not operate, control or endorse such sites. The Site also disclaims any responsibility for the information on those sites and any products or services offered there, and cannot vouch for the privacy policies of such sites. The Site does not make any warranties or representations that any linked sites (or even this Site) will function without error or interruption, that defects will be corrected, or that the sites and their servers are free of viruses and other problems that can harm your computer.

### E-Commerce and Our Secure Server

All commerce transactions that take place on this site are processed through our secure server in order to make every reasonable effort to insure that your personal information is protected. Any transactions that take place on other sites that have link from our site are not necessarily handled in this fashion. The Site disclaims any responsibility for transactions conducted on those sites and cannot vouch for the security of the information submitted in those transactions.

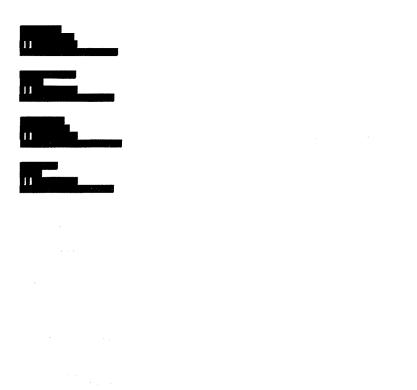
### Policy Changes and Acceptance

This privacy policy is effective as of June 1, 2005. By using our Site and its services, you signify your acceptance of this Privacy Policy. If you do not agree or are not comfortable with any policy described in this Privacy Policy, you may discontinue use of our Site. We reserve the right to modify this Privacy Policy at any time. Your continued use of any portion of our Site following notification or posting of such changes will constitute your acceptance of these changes.

### More Questions?

If you have any questions about this privacy policy, e-mail them to <a href="mailto:abuse@backpage.com">abuse@backpage.com</a>, and be sure to indicate the specific site you're visiting and the nature of your question or concern.

# DUFF&PHELPS



As a leading global independent provider of financial advisory and investment banking services, Duff & Phelps delivers trusted advice to our clients principally in the areas of valuation, fransactions, financial restructuring, dispute and taxation. Our world class capabilities and resources, combined with an agile and responsive delivery, distinguish our clients' experience in working with us. With offices in North America, Europe and Asia, Duff & Phelps is committed to fulfilling its mission to protect, recover and maximize velue for its clients, investment banking services in the United States are provided by Duff & Phelps Securities Ltd. is authorized and regulated by the Financial Services Authority, investment banking services in the United States set to the services of the United States and the services of the United States set to the services of the United States and the services of the United States set to the services of the United States are provided by Duff & Phelps Securities Ltd. is authorized and regulated by the Financial Services Authority, investment banking services in France are provided by Duff & Phelps SAS. For more information, visit www.duffandphelps.com. (NYSE: DUF)

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Management Presentation July 2011

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This confidential meniapement treasultation (Management Presentation) has been prepared by Dulf & Phelica Securities, st.C. with creat from the meniapement of Gartinage.com, st.C. (Bankyage, or the Phelica Securities, st.C.) with creat from the meniapement of Gartinage.com, st.C. (Bankyage, or the velocities to promet further with their inversigation of the container, by excepting this fall-requested forecastation, his moliphest activation and agrees that all of the information contained hearing with kept considerability agreement processes to the fall of the information contained hearing with the turns of the Confidentiality Agreement oversited by the recipient and that within a section only for a propose so tofat have.

Acceptance of this Management Presentation further concludes confrolling persons, agents, or advisors (collectively, the Beginnestation's) indices any project or applied representation or warranty as to the energy or completeness of the information contained therein any distinct in a banky to the activation of the container of the state of the proposation of the state of the proposation of the state of the fall of the proposation of the state of the fall of the proposation of the state of the fall of the proposation of the state of the fall of the proposation of the state of the

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Then Stategories of Presentation regardes continued the statements, extinction, and projections provided by Basispage with respect to the authorized performance of the Company. Such extremely additionable, and projections included various assumptions made by the Company, considering parentles failure results are supported various assumptions, and provided the provided various assumptions, and committee, or provided the stripled various and provided various assumptions, and committees of provided to The Company of the provided various and externed to obligation to update the information and made feed to the control of the stripled agreement. In one event will such definition agreement contain any representation with respect to financial projections.

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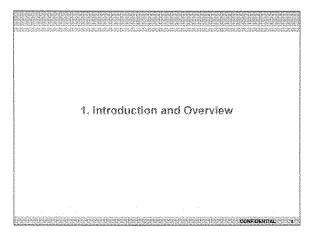
# 1. Introduction and Overview 2. Investment Considerations 3. Growth Opportunities 4. Financial Overview 5. Transaction Summary 6. Question and Answer

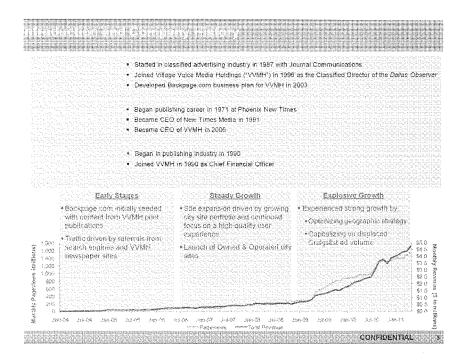
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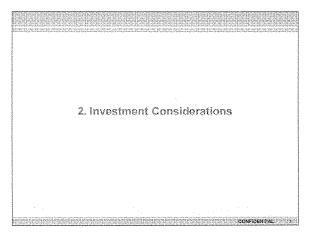
- The Company is seeking to raise up to \$100 million of debt to facilitate the buyout
- VVMH recognizes that Backpage has several significant growth opportunities and is better served to focus on these opportunities as a standalone entity

### Pro Forma Credit Statistics for a Potential Transaction

(\$000)	Achai	Projected					
Flecal Year Ending December 31,	2010	2011	2643	2013	2014	2015	
Gross Resence	529.943	\$51.818	\$69.636	972, 124	\$96,473	\$103,997	
FEIT	520,443	\$33,094	\$42,644	\$62,145	362,993	378,159	
EBITDA	\$20,452	\$38,163	\$42,874	\$82,175	\$83,028	\$73,139	
EBITOA tosegio (15 of gross revenue)	98.3%	73.5%	77.0%	72,3%	73.7%	75.2%	
Capital Expenditures	939	\$150	\$150	\$150	\$150	\$150	
Total Ceta	NW	\$100,000	985, 555	988, 1991	\$64,034	50	
Telal Debt / ESITOA	1454	2 62x	2.00%	1.31x	5.70x	0.004	
Total Cata / (EBTTDA-Capax)	N84	2.83%	2.034	1,314	0.70x	0,00x	
Internat Expense	MM	85,417	\$12,692	\$10,014	57,258	52,624	
Fixed Charge Coverage	NM.	5 66x	2.53x	3.53x	5,83x	18.27x	
SBIT-Interest -	NA	5.99%	3.50x	8.16x	8 645	29,68x	
EBITDA/Interest	NM	T.03x	3,55%	5.21x	8.71x	28.80x	

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Dafansible Market Position

- Backpage is the 2rd largest general classified site in the world in terms of site popularity
- Strong position facilitated by focus on user experience, site efficiency, and category development
- * Site traffic in May 2011:
- * 35.5 million unique users
- 77.3 million visits
- 1.4 billion pageviews
- * Financial Summary: June 2011
  - * Gross revenue: \$5.5 million Yo'v *Growth: 114.2%*
  - EBITOA: \$4.3 million
     YoY Growth: 129.3%
  - Free Cash Flow: \$4.2 million YoY Growth: 133.9%

			Global	Pagaviows	Avg. Time on
As of Jone 28, 2011	Category	U.S. Ranking	Ranking	par User	Site (minutes)
crespetiat org	General Classified	9	36	24.3	14.0
finkedin.com	Japs	11	16	9.7	7,8
care-ribulidar,com	Jobs	108	633	8.6	8,5
zillow.com	Real Estate	110	307	5.0	7,0
merahir.erim	Jobs	136	521	6.3	5.6
yellowpages.com	General Search	142	726	3.2	3.1
backpage.com	Gorystal Glassified	540	656	38.85	8.01
spatter.com	Real Estate	156	781	8.5	6,9
Insal com	Resilisate	179	389	6.3	€.\$
sdulthen@inder.com	Adult	204	200	8.5	5.8
autorrader.com	Automotive	276	1,181	11.8	10.0
_recu. sizafilazario yacıe	- General Classifed	658	2,801	5.0	3.6
erorder, apres	General Classified	588	2,284	5.4	3.3
anglestist.com	Services	851	4,460	4.6	4.5
rent com	Reveals	1.649	5.235	6.7	5.9
apariments.com	Rentale	1.581	8,030	4.9	5,\$
ералтельрыйе сот	Rentals	1,653	8,984	4.1	4.5
ebranin -	- General Classified	1,766	3,466	3.3	2.9
forment com	Remala	1,898	9,821	0,6	5.5
skyviba ease 🛒	Adds	2,078	10,836	8.3	4.6
yehix .com	Automotive	4,660	26,297	8.3	4,6
aros com	AGE 85	11,037	42,190	1.4	1.07

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### Aarkel Opportunity by Category

As of May 2011	44.0	tion that	Dry/Sel/Frase	100 200 (100 (100 (100 (100 (100 (100 (100 (	Pontin	A STORESTON
Page Move	1.004.822.168	15,120.850	6.303,730	1,972,258	1.149,960	581,584
	<b>\$4</b> ,519,153	\$194,052	\$28,851	\$14,435	\$12.178	\$5,468
Ed Polit Adv	706,230	31,886	3.425	3,123	2,245	429
Average Fine per Ad	\$6.40	\$6.09	\$8.42	\$4.62	\$5.42	

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- Intapped Monetization Potential
  - Compared to other sites whose revenue is driven by user traffic, Backpage is not fully capturing the revenue potential of the site's pageviews
  - Opportunities
  - More sophisticaled pricing models
  - * Improved algorithms
  - * Subscriptions for premium content
  - In each of Backpage's major categories, there exist several methods to more completely capture the revenue potential of the site's traffic
    - *Category managers
    - *Direct marketing

	FY 10 Avg. Monthly Revenue (\$ in millions)	March 2011 Pagesievs (millions)	Revenue per Pageview
Aparthenis com	515.1	23.1	30,5980
Enpedia.com	6279.0	440 4	\$0.6338
Debstallosen	\$63.1	119.7	\$0,5274
HonisAway pont	\$14.0	32.9	\$0.4267
Angleskat onen	54 6	12.1	\$0,4000
Monster com	879.2	279.8	\$0.2810
Shudterly com	\$25.6	119.5	\$0.234
Kayek.com	\$14.2	67.5	\$0.210
Dane erbuilder ubm	\$48.3	343.9-	\$0.134
eSay inc.	\$763.0	9,426.9	\$0.080
FriendFinder Networks	\$28,8	\$67.2	\$0.047
4OLcom	\$201.4	4,574.7	\$0.044
unkedin, com	\$20.3	\$12.2	\$0,039
Pandora sinti	\$11.5	410.7	\$6,028
Yahse.com	\$499.2	20,873.2	\$0.624
Ariclestry.com _	\$25.1	1.429.0	\$0.017
Zillow.com	\$2.5	161 B	\$0.615
Snegajob.com	51.8	166.9	\$0.011
Васкраде, соез	\$2.5	1,376.3	\$0.001

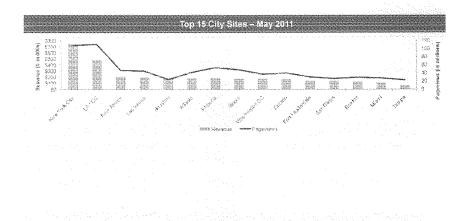
Source: Cautairia, Company van Comacom, Souga Anaytos, management comme

CONFIDENTIA

BVA Breakfast Meeting December 5, 2002 Page 10

Seographic Overview

- * Backpage operates more than 460 city sites throughout North America, Europe. Australia, and New Zealand
  - North American: U.S., Mexico, Canada, and the Caribbean
  - Europe, UK and Ireland
  - The Company is continually rolling out new sites and projects to grow to 600 sites by 2014



BVA Breakfast Meeting December 5, 2002 Page 11

Dyeridew of Ad Units

- Backpage primarily generates revenue through paid and sponsor ad postings
  - * Focus on search engine optimization ("SEO")

### Standard Ad (Free and Paid)

- Simple text-based call-to-action
- Links to detailed single page that describes the post
- Certain high traffic sites are free while others (Adult, Jobs, Rental, atc.) require a fee
- * Monetization instituted based on demand

#### SponsorAds

- Include larger font, photos, and are highlighted
- Located in a separate page column to the right
   Advertiser incurs an additional weekly fee
- Adventiser incurs an additional weekly for determined by a demand-based algorithm
- · Indexed by Google and other search engines
- All purchases are prepaid, with no complicated click-thru or ad impressions pricing model
- Advertisers purchase more than \$125,000 in local Scorsor axis per week



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CONFIDENTIAL 12

Backpage recommends premium ad upgrades at the bottom of every posting form

- Ads are automatically reposted to the top of the page to maximize visibility and conversion for a fee
- Frequency and number of reposts is chosen by the advertiser, which drives the fee-
- Unlike competitors, Backpage utilizes the same URL for a repost to maximize SEO
  Upgraded ads cennot be autometically removed by
- the community
- . Used frequently to monetize free categories.
- * 10% of all paid ads ere upgraded to auto reposts

- . Sponsor ads can be placed by the user in over 450 cities with one simple posting form
- * Target audiences by city, state, or country
- · Can post in minutes compared to national pay-perclick search ads that require continuous maintenance
- . Company generates over \$36,000 in National ads per week, at an average cost of \$1,36 per ad

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August 2014

Show Zeitgeist of ads, searches and transactions.

### **Company History**

- Michael Lacey and Jim Larkin began Phoenix New Times in 1970 as an anti-war newspaper. The business grew into the largest group of newsweeklies in the United States.
- In 2004, in response to the Craigslist threat to print classified advertising the company launched its own online classified site, Backpage.com.
- In 2013, the Company sold its print publishing business and has focused its interest in the further development and expansion of Backpage.









- •Michael Lacey and Jim Larkin began Phoenix New Times in 1970 as an anti-war newspaper. They grew the business-ultimately becoming "Village Voice Media" (VVM)into the largest group of newsweekly publications in the United States, with over a dozen titles like LA Weekly, The Village Voice, Denver Westward, and Miami New Times. The company won three Pulitzer prizes and numerous other national and local awards for journalism. VVM emphasizes local coverage and reaches a young, "spender", reader
- *Classified advertising—including "Adult" classified ads—appeared in the VVM newspapers from the beginning. The company has been selling classified advertising for over forty years.
- "Competition for classified advertising revenue was significantly disrupted in 2000 with the launch of Craigslist. Daily newspapers had maintained their lucrative classified market dominance for decades over an audience that, by 2000, was moving to the Internet. Today print classified advertising is a small fraction of its former levels.
- =In 2004, in response to the Craigslist threat that was decimating daily newspapers, VVM launched its own online classified site, Backpage.com, named after the back page of VVM's BVA Breakfast Meeting print publications. print publications.
  December 5, 2002 ≇In 2013, the Company sold its print publishing business and has focused its interest ந்துந்த 2
- further development and expansion of Baelopage725

# 7th Largest Classified Site in the World



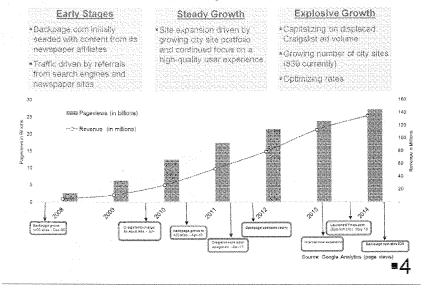
Source: July 2014 Similar/Veb.com

**=**3

We are 2nd to craigslist. Craigs only competitor for general classified / marketplaces. We have beat back ebay classifieds in the US. Backpage is more urban audience, less economically advantaged. Instead of Yorkies we have pitbulls. We reach markets craigslist does not serve well: adult, sporting goods, truck driver jobs, national postings.

We are less censored than craigslist. We are what craigslist use to be before it gentrified and started monetizing many categories to make over \$300 million annually. We are a more true internet bulletin board and more willing free speech oriented.

### **Company History**

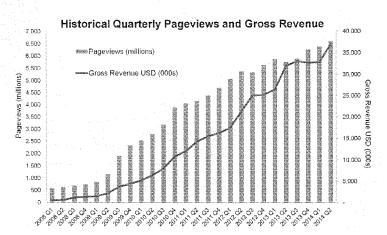


POSSIBLE CHANGE: JULY 2009: "AG's pressure Craigslist to charge for Adult ads- Jul 09" per agreement with AG's" Ads" replaces "Craigslist changes standards in adult categories- Jul-09"

- Explain Graph
- The site started with content seeded by newspapers, mainly alternative weeklies. We added markets and real user steadily. Growing user generated content site is a 4 to 5 year process.
- Craigslist initiated negative actions to it's users in 2009 and 2010. Backpage was the logical choice for displaced ad posters.
- In 2012, we started to add markets outside of North America. Some of those markets like the UK and Australia will generate a million in revenue this year.
- In 2013 we launched a Spanish version called Ymas.
- All totaled we have 839 city sites.

BVA Breakfast Meeting December 5, 2002 Page 4

### Growth in Traffic and Revenue



Source: Google Analytics (page views)

**-**5

#### Page views in blue / Visits in Red

- · Steady growth on page views
- The Visits in red dipped and returned. This was from a reporting change we made with Google Analytics

#### Transactions in Blue and Revenue in Red

- Q1 2014 took a dip with weather.
- Q2 2014 record revenue and transactions.

BVA Breakfast Meeting December 5, 2002 Page 5

### **Content and Transactions**

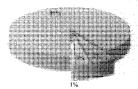
#### Ads by Category Breakdown

- * Jobs 47% * Services 9% 8 Adult entertainment - 4%
- *Automotive 23% Rentals 8%



#### Transactions by Category Breakdown

- * Adult entertainment 91% * Services 5% * Dating 3% Other 1%



- *Average transaction \$9.50
- *14 million transactions annually from 500,000 paying users
- •70% of postings are Jobs and Automotive.
- *100 million postings annually from 4 million active users

Source: July 2014 PPI/BP reports



- 70% of postings are from jobs and Automotive where we are free. Craigslist currently charges for jobs and automotive by dealers.
- Adult is 4%

Under transactions, 91% are in the adult category, but since most of the other categories are free this is to be expected.

What is not shown here is the large number of customers the Site has:

in the past 12 months:

- 508,055 Unique customers made a purchase
- Each customer purchased on average 12 times
- Average total annual purchases was \$263

**BVA Breakfast Meeting** December 5, 2002 Page 6

### Heavy Mobile Adoption By Users

#### Visits by Device

≈Mobile ≪Desktop ≪Tablet



#### Revenue by Device

×Mobile *Desktop *Teblet



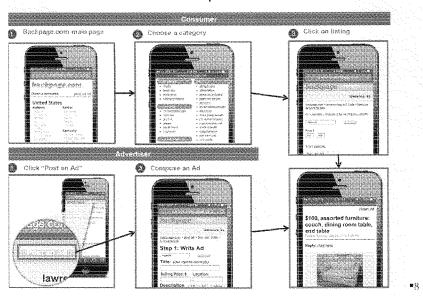
- Smart phones generate 63% of sessions.
- Smart phones generate 66% of revenue.
- Mobile transactions mainly on Android (59%) vs Apple (38%).
- Backpage's simple layout is naturally mobile friendly.
- Most pages are responsive design with an optimized user experience no mater what device.

**B** 7

70% of consumer traffic mobile 66% of transactions are dome from mobile We average ½ million video plays (almost all of them are on mobile)

> BVA Breakfast Meeting December 5, 2002 Page 7

### Mobile User Experience



UPDATE with Responsive design for mobile screen shots.

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# Growing Content and Traffic in Markets Outside of the United States



- 839 city sites on 6 continents in 17 languages
- * Transactions supported in USD, CAD GBP, EURO, AUD, and NZD
- US and EU data centers
- · Expanding international marketing initiatives.

Source: July 2014 Google Analytics



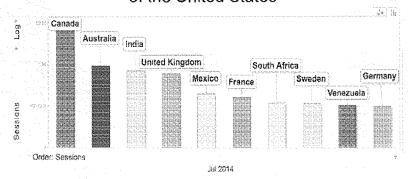
4 states generate over a million a month in revenue.

Ontario is a good market with Toronto.

Alberta is the 2nd strongest province with the cities Edmonton and Calgary

BVA Breakfast Meeting December 5, 2002 Page 9

# Growing Content and Traffic in Markets Outside of the United States



- * 839 city sites on 6 continents
- 17 languages
- * Transactions in local currency when market is ready for monetization.

Source: July 2014 Google Analytics

**=**10

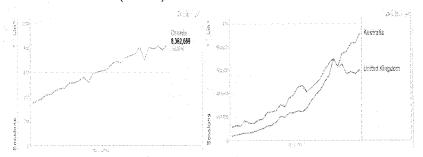
4 states generate over a million a month in revenue.

Ontario is a good market with Toronto.

Alberta is the 2nd strongest province with the cities Edmonton and Calgary

BVA Breakfast Meeting December 5, 2002 Page 10

# Canada, Australia, and the UK: Growth in Sessions (Visits) in Past Three Years

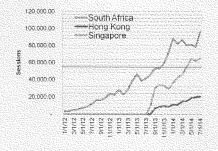


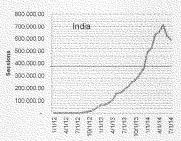
- Canada generates over 10 million in annual revenue from paid transactions.
- Australia and United Kingdom have traffic volumes supporting monetization.

**•**11

BVA Breakfast Meeting December 5, 2002 Page 11

### Examples of New International Markets, Continue to Gain Traffic and will be Markets to Monetize in the Future





- * Freemium model allows new markets to gain content and traffic
- Many markets launched in Asia.
- We continue to improve localization.
- Executing marketing plans to expand international content and traffic.

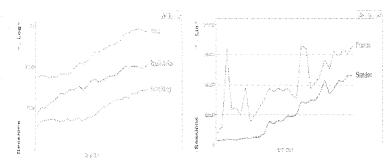
^{در} 12

4 states generate over a million a month in revenue.

Ontario is a good market with Toronto.

Alberta is the 2nd strongest province with the cities Edmonton and Calgary

#### India, South Africa, Hong Kong, France and Sweden: Growth in Sessions in Past Three Years



- * High Traffic in India, long term potential to monetize.
- Sweden and France have excellent opportunity for growth and monetization.
- · Many markets launched in Asia.
- We continue to improve localization.
- Executing marketing plans to expand international content and traffic.

App.000736

4 states generate over a million a month in revenue.

Ontario is a good market with Toronto.

Alberta is the 2nd strongest province with the cities Edmonton and Calgary

### Market Trends Benefit Backpage

### User Generaled Content

- Audience fragmentation and shift toward online media.
- Increase in social media and decline of expensive sites.
- Highly effective cost structure for creating content.
- Ability to embed rich confent like video and hyperlinks.

#### Single Palence

- Expanded penetration of smart phones creating new and/or mobile—only users.
- Increased network speed allows mobile users richer content, more images and video.
- Users can easily board and edit content anytime.
- Users can make purchases anytime and anywhere.

#### Payments

- Growing use of prepaid cards expands possible customers.
- Non-reloadable prepaid cards provides more secure and anonymous transactions.
- Ability to securely save credit card numbers for future purchases reduces payment friction.
- Adoption of micropayments.

**-14** 

#### The trends driving our success.

- 1. User generated content
- A growing online audience using more niche sites. Example, AirBnB
- Social sites like Linkedin destroying monster.com
- UGC's cost structure is almost free and creates better content.
- 2. Smartphones
- More users. Better network speed for improved UX. User can create content and buy anytime.
- 3. Payments
- Reach the unbanked
- Anonymous transactions
- Easy to pay

BVA Breakfast Meeting December 5, 2002 Page 14

### **Financial Summary**

Mistorical Financial Summary	2008	2009	2010	2011	2012	2013	2014P
Revenue, net	\$5,180,530	\$10,922,965	\$26,641,305	\$52,114,357	\$78,900,195	\$112,694,191	\$135.000.000
I/I, Hosting and Development	763,569	788,549	1,264,188	1,617,222	2,103,171	2,901,537	3,620,000
Sales and Marketing	324,915	588,758	2,168,660	1,925,277	3,008,729	3,616,522	4,590,000
Moderation and Legal	368,694	710,586	1,327,837	2,451,912	3.589.791	4,727,139	5,512,000
Administration	348,127	695,904	1,428,765	2,877,437	2,937,695	3,705,027	5,278,000
Total Operating Expenses	1,805,305	2,783,797	6,189,451	8,871,848	11,539,386	14,951,225	19,000,000
ESITOA	\$3,375,225	\$8,139,169	\$20,451,854	\$43,242,509	\$67,260,809	597,742,966	\$116,000,000
FBITDA Marain (% of Net Revenue)	Secretary and second for	24 5%	75.894	82.0%	95 760	2£ 7%	-

#### As of June 30, 2014

Total Assets: \$14,025,950

Total Liabilities: \$3,404,617; No Notes Payable

Working Capital: \$11,104,830

**1**5

- Revenue growth is a combination of increased customers, transactions, and judicial rate increases.
- Rate increases are carefully implemented and incremental. Example, increasing a cost to post from \$3 to \$5. Rate increases are done to increase content quality (duplicate postings become too costly)
- 2014 has been a year for us to invest in the hardware, staff, and technology to support the larger volume of content and improve the UX experience.

Examples: Added a data center in Amsterdam, improved the ad postings architecture to support more volume, added more banks and processing choices, improved our payment service provider technology, added SalesForce, migrated to a 3rd party solution to send transactional and marketing email.

- We are comfortable with 20% growth given the continued brand recognition potential and carefully placed rate increases.
- We anticipate outside of North America to continue to grow significantly. Though, these markets will take 4 to 5 years before they can be monetized.
   BVA Breakfast Meeting
- North America will grow revenue by monetizing the consumer of conteme 5, 2002

  App. 000738

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### **Proprietary Features**

- Industry expertise
- Traffic generation know how
- Content procurement and curation methods
- CDN and video technology
- Customer conversion
- Transaction optimization
- Technology

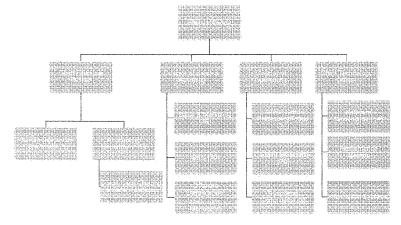
**-16** 

- 1. Industry Expertise: Our management team grew up in the classified side of the business. Carl Ferrer has been in the classified business for over 25 years (shoppers, newsweeklies to start and now the internet for the past 10 years). We understand certain industries like employment ads for entry level jobs and catering to small businesses in the service sector. We also understand how content is critical to attracting the consumer.
- 2. We have the expertise to generate referrals from other sites and search engines,
- 3. Content
- Curation: We invested millions of dollars in technology and staff to curate content.
- Marketing: we have a unique and highly successful program where staff is compensated to find new content creators.
- 4. Our use of a CDN, makes our site extremely quick. The use of this technology even allows us to host and serve video fast and inexpensively.
- 5. We understand small transactions and how to convert customers from free to paid.
- 6. We focus on making small transactions easy and with high approval takes Meeting

  December 5, 2002

The Company maintains a strong relationship with the National Center for Missing aRege 16 Exploited Children and with local law enforcement across America. Its Moderation standards

# **Organization Chart**



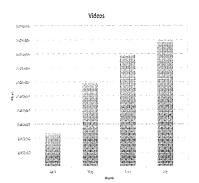
Note: Total Staff 160

**-17** 

160 people. 4 Top level managers. The team is mainly in Dallas but we have some moderators working from home in Phoenix. A few of the country managers are contract workers living in other countries.

### **Growth Initiatives**

- Continue International Expansion
- Video (rapid adoption)
- Payment options and optimization
- Monetize the consumers of content (subscriptions)
- Gifting credits and private messaging
- New verticals and applications based on UG content



Source: JW Player Video Analytics

**■**18

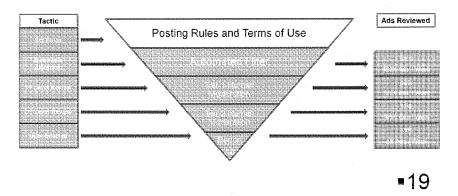
- 1. International
- revenue will continue to double each year
- Markets like the UK and Australia will generate a 1/2 million in revenue each (with no boots on the ground)
- 2. Video
- Grow to 500k videos and 5 millions plays per day
- We will be the "vine" of classified ad video. Vine is a video service for Twitter.
- Video allows us to charge high rates.
- Our own paypal. Credits are easier to spend and we are going to expand prepayment. Allows us to have transactions under \$1.
- 4. Monetizing the consumer thru:

- 4. Monetizing the consumer thru:

  BVA Breakfast Meeting
   Subscriptions: (30 million uniques per month) Adult Friend Finder still dogs องคายอาการ on their site in subscriptions / Badoo does 100 million outside of North America.
- We have millions of images users can log in to see more content

### **Content Curation**

- The meticulous five-stage moderation process is a combination of automated and human processes
- This unique process minimizes the occurrence of spam as well as inappropriate or offensive content.
- The Company's rigorous quality control methodology produces a superior user experience



STARTS: It starts by users agreeing to the terms of use,

NEXT: Then, content goes thru a gauntlet of filters. We review IP's, terms, email addresses, images, nGram analysis for duplicate ad detection. Ads are blocked, removed, or passed to the next level of moderation.

HUMAN MODERATION: We have over 70 moderators.

Tier 1 reviews content in a queue 365 / 24 / 7

Tier 2 browses the site real time

Ads violating out TOU are also reported by consumer.

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### Law Enforcement Cooperation

Backpage com remains committed to working cooperatively and proactively with law enforcement to assist in combating illegal activity by wrong doers who endeavor to misuse the site.

#### Examples of Law Enforcement Cooperation

#### King County, Washington

Thank you — I appreciate the extremely quick reply! I will keep you posted on our case and identify any ads containing juveniles.....
Thanks much.

#### London Police Department, Kentucky

I really appreciate your help on this. We had some luck catching two people from Romania involved, and only have 1 of them in custody in London, KY which is very unusual for a case....

Thanks again.

#### FBI Chicago, IL

Mr. Ferrer.

You just made my day. What is your official title. We want to submit your name for recognition of your assistance following this case.

Thanks

#### Lee County Sheriff 's Office, Florida

Hello

Thank you very much for responding so quickly and providing what appears to be a comprehensive response to the warrant....

*20

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### Company History (Legal)

- The legal landscape for online Adult classified advertising was very unsettled three years ago. It quickly became clear that the states and the federal government wanted to close down Adult classified content by imposing onerous liability standards on Backpage.
- M.A. v. Village Voice Media Holdings, LLC. (US District Court, St. Louis, Argued in 2010; Decided in 2011). Held: Section 230 of the Communications Decency Act protects online hosts from liability for the content of third-party generated posts, and from the consequences of the content.
- In 2010 the Attorneys General and Congress pressure Craigslist to shut down its "Adult" section. Two things happen within two weeks of Craigslist backing down. First, Backpage's sales increase dramatically. Second, 46 Attorneys General send Backpage a letter demanding Backpage follow Craigslist's lead and close its Adult section.

**-21** 

### Company History (Legal)

- The Attorneys General obtain passage by Washington, Tennessee, and New Jersey legislatures of age-verification requirements for online adult advertising, punishable by criminal and civil sanctions. Backpage sues the Attorneys General to enjoin enforcement of the three statutes in federal court in Seattle, Nashville, and Newark, and wins sweeping landmark rulings.
- While the cases against the Attorney's General are pending a federal grand jury launches an investigation of BP and its owners under federal criminal statutes involving child sex trafficking and other crimes. The grand jury issues subpoenas to multiple Backpage employees, and demands thousands of pages of company documents. The company moves in sealed federal court proceedings to quash the investigative demands and wins a sweeping victory against the federal government.

**=22** 

### THANK YOU

**-**23

BVA Breakfast Meeting December 5, 2002 Page 23

## **Appendix**

**2**4

### Overview of Ad Units

* Backpage primarily generates revenue through paid and sponsor ad postings

#### Standard Ad (Free and Paid)

* Larger font, photos, and highlighted text

- » Simple text-based call-to-action
- Links to detailed single page that describes Ad rates determined by a demand-based
- Certain high traffic sites are free while others. Indexed by Google and other search engines. (Adult, Dating and Therapeutic) require a fee
- · Monetization instituted based on demand

algorithm

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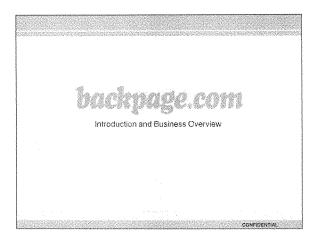
\$3,796, 2ta (Sureng 200 pendrouse of private port deck. Grande Kirchen w DW & WD) 🕸 evan wices:

S2.596, 2m (LO FEE 20R Ouslax of Pavalla Root Deck., Kitchen of SS, Goods, (SV) and viribili Matrile SXB, & Granery)

Sponsor Ad ovely 1 bedroom and Bally Versized the refloom managed in mintending at an mounted the Managed at an LAME -FAE Location, Dimic, WiD in urbs AVAE AREE immediately No. broker fee, Listed by owner. LOOATION: 63rd - 63rd & 3rd

There are no banner ads. No Google PPC ads. There is no monetization taking people off the site, slowing down a page, or content considered distracting to the consumer. As the user shifts to mobile devices, we did not lose revenue like other sites which rely on banner ads and CPC advertising.

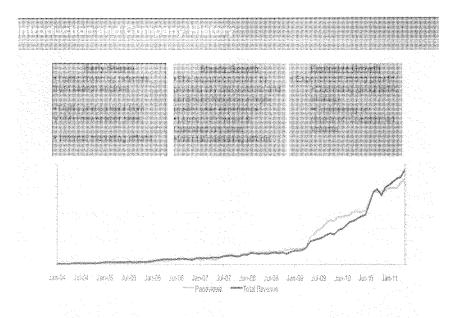
> **BVA Breakfast Meeting** December 5, 2002 Page 25



#### Introduction and Company History

- Backpage.com, LLC, the Company's online classified advertising solution, started in 2004 to counter the loss of print classified advertising to Craigslist.
- •All of the advertising and discussion forum content on Backpage.com is "user-generated," i.e., it is created and posted by third-party users. Backpage.com does not create or develop any of the advertising or discussion content, but simply provides a forum for the online publication of users' content. All user content is required to adhere to Backpage.com's Terms of Use and content in various categories is moderated by Backpage.com personnel for compliance.
- •Today, Backpage.com is the second largest general online classified advertising service in the U.S., hosting more than 8 million posts across the network.

CONFIDENTIAL



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BVA Breakfast Meeting December 5, 2002 Page 3

From: Sent: To: Subject:

Dan Hyer Saturday, October 16, 2010 3:38 AM Andrew Padilla; Carl Ferrer Re: Update and tasks on behalf of Dan Hyer

Understood.

>>> Carl Ferrer

10/15/2010 9:24 PM >>>

Dan and Andrew,
We need a crew to remove escort ads in adult jobs (dan) Clean up personals in men seeking
men, women seeking women, men seeking women. (dan)

NOTE: NSA, missed connections, and women seeking men will be suspend Sunday PM Our "personals" image standard is the same as in adult.

Images standard: According to Scott, "Tasteful nude is still ok." Close up if nipple is OK. It's the explicit shot of genitalia that is bad.

Sometime Sunday, AG investigators will be browsing escorts looking for bad content.

Staff needed Saturday, Saturday night, Sunday, Monday AM, Tuesday and Wed.

Tues and Wed we will get a lot of media scrutiny.

Carl

From: Carl Ferrer on behalf of Carl Ferrer

Sent:

Andrew Padilla
Joye Dan Hyer
Re: potential new filters (draft) To: Cc: Subject:

Awesome work. I have no revisions. I know there will be some false positives, but we can deal with them when they come up.

You will need to keep an eye on the bp abuse filter emails.

I will pass on your list to our internet safety advisors and Spear.

Note: I edited your comments below to avoid any misunderstandings on their part.

Carl

On Dec 9, 2010, at 1:25 AM, Andrew Padilla wrote:

I included in this spreadsheet every phrase that was submitted by the phx and dallas staffs (425 in all). I think it's important, regardless of the final designations, to keep all of the phrases in the list for later training purposes. It's just as important for the staff to know what not to remove and it is to know what's banned.

I made an effort for there to be no exact duplicates in this list but I'm pretty sure some of the phrases here are existing filters. (In every instance where I say "filter", I specifically mean Strip Term From Ad filters.

The N/A phrases are terms that I felt were too commonplace, purely descriptive or innocuous. Anyway the consensus

The Too Broad phrases overlap a little with N/A but the same reasons apply. I just felt it was worth pointing out when a filter might do damage.

Send me your revisions and I'll finalize the list. Once that's done, I can add the filters in a day and distribute the big list to phx, dallas and india

P.S. In the instances where a phrase includes an asterisk or other punctuation, the actual filter will not. The filters seem to work around punctuation anyway.

Andrew Padilla Operations Manager

<br/>big list of new phrases - first draft.xls>

From: Sent: To: Subject: Attachments:

Carl Ferrer
Monday, December 20, 2010 8:34 PM
Scott Spear
Adult changes done to date, standards and other content possible changes.
Moderation_tasksUPDATEDEC 20 doc

### UPDATE DEC 20, 2010

- 1. Add non-US markets to all moderation queues (done 10/20/2010)
- 2. Purchased software to provide 4 color subpoenas. (done 10/20/2010)

### 3. MODERATION: Image queues

Determined to be not necessary. We created the ability to delete image in one click from the ad moderation queue and organized 4 images in one glance (done 11/2/2010)

- 4. Added feature to Lock out from editing ads for bad user. (done 11/14/10)
- 5. Moderation edited ads (done 11/14/10)

All edited ads for moderated queue go into edited ad queue. Added staff to moderate.

- 6. Auto-reposted and move top ads added to the queue. (done 11/14/10) Any new ad, auto-repost, move to the top, or renewed ads should all go to the queue unless it has an approved date in the ModerationLog with a date newer or equal to 11/4/2010.
- 7. Html images not allowed (done 11/14/10)

All adult and personals categories are now locked out of html images except phone/web and whitelisted users.

- 8. Reduced the number of characters allowed in an ad (done 11/14/10) Set to 500 characters includes spaces and lines.
- 9. No Nudity (done 11/18/10)

Huge change. Reprocessed all ads thru all queues.

- 10. Added unique moderator names for all moderators for better accountability (11/20/2010)
- 11. Phone/web category added to moderation (done 11/30/10)
- 12. Created queue to manually check postings with links and urls offsite (done 11/30/10)
- 13. Alert moderators whenever a post is under review longer than 20 minutes. (done 12/5/10)

### 14. Re-moderate content

Sent all ads in moved to the top, renewed and auto re-posted to back to queue to catch a few nude pics. (done 12/13/2010)

15. Make the stripped out work faster (done 12/5/2010)

- 16. Added time date stamps with Time zone for better subpoena compliance.
- 17. Deep cleaning (done 12/5/2010) Strip out bad terms from every old ad in the database.
- 18. Add national ads to queues (done 12/5/2010)
- 19. Age verification content viewing Not necessary
- 20. Highlight terms in yellow in the queue (planning)
  Terms be highlighted in yellow in moderation and/or admin view. Examples: top, bottom,
  ABJ, ATF, BL. FIV, BLB, CG, DT, HJ, RT
- 21. Added more terms to ban or strip out (on going) 500 terms added 12/1/2010 2000 more terms to be added by March 31.
- 22. MODERATION: Add therapeutic massage Planning. The category is not a major problem and we want India and US staff to get better before adding this queue.
- 23. Track Moderator performance (scheduled)
- 24. Creating API to auto report ads to cybertipline (ETA 12/31/2010)
- 25. Forums

Updating software to take advantage of better tools for moderation provided by software creator: VBulletin (ETA 1/31/2011)

- 26. Stripping out Review links from new postings (done)
- 27 Fixing User reporting Step one is scheduled (add CAPTCHA)
- 28. NCMEC: Child Porn url list
- 29. NCMEC: Porn Image Hash list
- 30. Pending: In 2011, adding internet user safety section to provide information on avoiding and recognizing scams, explaining illegal ads, linking to legitimate NGO's, explaining reporting mechanisms, providing access information to Law Enforcement, FTC tips, and other safety, security and privacy tips.

### STANDARDS BY CATEGORY

-----

1. Escorts and Body rubs:

### NOT ALLOWED

- * No pics showing full nudity, nipples, genitalia, bare butts or sex acts. No sex act for money
- * No text with sex act for money. No coded sex acts terms: GFE, PSE, BBBJ, DATY, etc
- * No rates under one hour (15 mins and 1/2 hour rates are not OK.)

# ALLOWED

- * Bikini, lingerie, g-string, thong, and hands covering nipples are all allowed.
- * Hourly rates are OK. Special \$xx is OK

### 2. Adult jobs

### NOT ALLOWED

* No sex act for money. Example: A user can not say I'll pay \$50 for oral sex.

### ALLOWED

- * Hiring for strip clubs, modeling, escort agencies, and porn jobs.
- * Leave escort, massage, house cleaning type ads with price menus (later we may move them to the right category).
  - * Porn jobs can include sex for money text. Porn is considered art.
  - * Users can ask to hire escorts, modeling, massages & nude house cleaning

### 3. Phone web

### NOT ALLOWED

- * No pics showing full nudity, nipples, genitalia, bare butts or sex acts. * No sex act for money. Example. A user can not say I'll pay \$50 for oral sex.
  - * No links to porn sites

### ALLOWED

- * Phone talk lines (phone sex), dating sites, other escort sites, etc.
- * Bikini, lingerie, g-string, thong, and hands covering nipples are all allowed.

### 4. Personals

## NOT ALLOWED

- * No sex act for money in text.
- * No pics showing full nudity, nipples, genitalia, bare butts or sex acts.
- * Leave escorts or massages with rates (later we may move them to the right category).

### ALLOWED

- * Graphic Sex act language, Example: A user can say they want sex acts.
- * Sugar daddy, generous gentlemen, offers to help pay bills.
- * Massages, modeling, companionship offers with NO rates.
- * Bikini, lingerie, g-string, thong, and hands covering nipples are all allowed.

# PROPOSED CONTENT CHANGES

### ------

- 1. Eliminate all live links.
- 2. Add warning to URLS off-site
- 3. Limit ad content to 300 characters total
- 4. Eliminate all pricing.
- 5. Re-do graphic standard to Victoria Secret.

(an actual top piece of clothing).

- 6 Add registration/account establishment with credit card to view adult section
- 7. Add parental setting to a dult section that can be turned off without affecting CDN and SEO  $\,$
- 8. Limit adult advertising to major markets (top 40?) only

```
Carl Ferrer |
Saturday, January 22, 2011 4:27 AM
Michael Lacey
From:
Sent:
To:
Cc:
Subject:
Our guide lines are vague but at least easy to remember:
if she looks under 18, report it. If in doubt, report it. We get a couple of manager's opinions on pics we are not clear about.
Hemu gave us a dozen code words of under aged users. Perhaps I'll learn more when at NCMEC.
Roughly, we reported 30 ads to NCMEC out of 300,000 adult ads in the past 30 days.
RE: databases
They have a hash list of porn pics and list of child porn URL sites to ban.
Nothing on runaways... yet.
On Jan 21, 2011, at 9:35 PM, Michael Lacey wrote:
> do you have guidelines our people use?
> did you get guidelines from them about what theyd like to see?
> do you have guidelines from them about what they do?
> what youve described is very vague. do they have a database, for example, of runaways?
> lacey
```



DAVID C. VIGILANTE Senior Vice President - Legal

February 2, 2011

### VIA FEDEX AND E-MAIL

Edward E, McNally

Kasowitz, Benson, Torres & Friedman LLP

Dear Mr. McNally:

Re: CNN/ Your letter of January 28, 2011

I write in response to your letter of January 28, 2011.

Prior to responding to those contentions that are specific enough to enable a response, I note that your letter is rife with self serving assumptions that are wrong, false and unsupported by the actual facts behind CNN's reporting. This letter appears to be a product of an aggressive media strategy adopted by Village Voice to inhibit inquiry in Village Voice's involvement in a business that is often co-opted by those seeking to traffic in sex with minors. Using unfounded threats of legal action in order to intimidate CNN into backing away from its reporting is ill-advised and misguided. It is remarkable and unfortunate that another news organization would engage in these types of anti-speech, SLAPP tactics.

The central complaint of your letter seems to be that CNN did not uncritically accept your contention that whatever problems backpage.com had with underage sex trafficking as recently as 6-12 weeks ago, everything is now different since you claim to have implemented new precautions. Therefore, all of these allegations, even if true, are "outdated" and thus libelous. This is a dubious claim, both factually and legally, particularly when your principal basis for it is a set of talking points provided to CNN "on background", with no opportunity for CNN to test the veractive of the claims. Indeed, Village Voice repeatedly refused to provide anyone to be interviewed about its practices relating to backpage.com.

CNN assessed this situation with the appropriate degree of inquiry and skepticism that any responsible media organization would employ. What is beyond dispute is that as recently as late September of 2010, Attorneys General from 21 different states wrote you:

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A TimeWarner Company App. 000760

"to request that you immediately take down the adult services portion of backpage. We believe that ads for prostitution-- including ads trafficking children-- are rampant on the site and that the volume of these ads will grow in light of craigslist's recent decision to eliminate the adult services section of its site."

CNN also accurately notes that Village Voice committed to taking more steps to filter out adds exploiting underage girls and illegal prostitution, but whatever Village Voice's untested talking points might suggest, the problem is ongoing and pernicious, and is neither over nor "outdated" as you suggest.

Many of the contentions in your letter are difficult to respond to specifically since they rely on unfounded presumptions or speculative inferences that are not supported by any facts. However, where possible I will attempt to respond to some of the more specific claims in the letter and thereafter will respond more generally to some of your more sweeping accusations.

Bullet Point 1. Your contention that Ms. Lyon created the "false" impression that hundreds of underage girls are exploited on backpage.com is wrong. It mischaracterizes Ms. Lyon's reporting and is ultimately belied by the actual facts. To be clear, Ms. Lyon never said hundreds of girls are exploited every year on backpage.com in Las Vegas. She said that hundreds of girls sold for sex every year end up at the Clark County Juvenile Detention facility. In the report Ms. Lyon asks the detention personnel specifically how many 13-year-olds turn up there in a one week period and the answer is "a few" 11, 12 and 13 year olds. However, hundreds of juveniles do turn up according to the judge at the detention facility, and "the few" refers only to the very youngest.

Bullet Point 2. You are also incorrect in your claim that Ms. Lyon collapsed the distinctions between runaways and prostitution. According to the National Center for Missing and Exploited Children, 100,000 each year is a conservative estimate for the number of teen trafficking victims. This estimate was provided by the president of this federally funded organization in the fall of last year.

Bullet Point 3. Your characterization is again incorrect. The Assistant District Attorney General for Davidson County reports to us that about a third of the men were caught as a result of using backpage.com. It is entirely reasonable for CNN to rely on this statement from a public law enforcement official. While none of the men were specifically convicted of soliciting a minor (which was made clear in the report), the men featured said they used backpage.com, and they said they had no idea of the age of the females they paid to have sex with. One even went so far as admitting he proceeded despite suspicions that the girl was a minor:

Amber: "Did you ever suspect that any of the girls found were underage and lied about

their age?

John: (shakes his head yes)

Amber: "Yes?" And how could you tell."
John: "Shakes his head"

John. Shakes in flead Amber: "You don't want to talk"
Amber: "Could you shake your head yes or no. did you find the girls on backpage.com??
John (hesitates then shakes his head yes)

Amber: Yes. And by being underage would you say they were 14, 15, 16.

John: I don't know

This lack of knowledge, and the indifference to it, is pertinent to the central problem at issue here -- the difficulty in protecting against underage sex trafficking.

By way of further illustration:

- A Detective Sergeant in the Washington MPD's child trafficking unit said he believes that 90% of ads for "18 year olds" are in fact underage girls.
- A recent study by the Dallas Women's Foundation estimates that 38% of the ads for women in the Dallas area who "looked young" were in fact minors. Backpage.com is by far the largest adult services website operating in the Dallas
- Similarly, Seattle police Sergeant Ryan Long, who recently testified in the trial of a pimp charged with selling a 15 year old girl on backpage.com, told the Seattle Times, "Currently, backpage.com is the most prevalent internet sex store . . . H's the most notorious place to shop for sex online."

Bullet Point 4. Again, your assumptions are flatly incorrect. CNN interviewed six women at the Bunny Ranch who said they had been trafficked as underage minors. Five of them said they had been sold on backpage.com.

Bullet Points 5-7. Ms. Lyon's statement that backpage.com/Village Voice Media Holdings refused to speak to CNN is entirely correct. As a news organization itself, Village Voice Media knows that issuing a unilateral statement where you refuse to submit to any questions is not the same as talking to CNN. Nonetheless, CNN more than adequately included the gravamen of the points in your written statement.

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However, CNN's attempts to speak live to a representative of Village Voice media were simply rebuffed and redirected. For example, CNN requested comment from backpage.com about allegations that a 14 year old girl in St. Louis had been sold on backpage.com. In response CNN was told:

"We cannot comment on ongoing litigation. We have been working diligently to build a holistic safety and security program in partnership with Internet safety expert Hemanshu Nigam to better protect our community."

So CNN went directly to Mr. Nigam, whose public relations director told us the following:

"Unfortunately I found out that if the interview is strictly about Backpage then Humu can't do it, since they are a client of his. Would love to get him in on a different angle, as an internet security/privacy expert."

Ultimately, all CNN was offered was some information "on background" that we were not allowed to attribute to any specific person at backpage.com. CNN was never afforded an opportunity to explore the claims made in the "backgrounder" nor was it permitted to test or verify the claims with any representative of backpage.com.

Bullet Point 8. Again, your characterization is inaccurate and unreasonable. The section concerning Craigslist begins with the following voice-over from Ms. Lyon:

Last year, we investigated the Internet site, Craigslist. Victims' advocates called Craigslist's adult services section the Wal-Mart of child sex trafficking. We posted an ad to see what was up.

Given the additional reference to Craigslist at the end by Anderson Cooper, no reasonable viewer could conclude that segment was about backpage.com.

Bullet Point 9. You are again wrong. There is no false implication. The calls were from backpage.com users and they were told she was underage.

The remaining bullet points in your letter do not require or merit a response. However, I am struck by your claim that there is a lack of evidence that underage girls are exploited on backpage.com. As should be evident from the multiple prosecutions across the United States, there is more than sufficient evidence to report on this pernicious and ongoing problem visited upon Village Voice Media and others who maintain such sites.

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However, on the one occasion when backpage.com did address a specific posting, your client simply turned a blind eye to the situation. Last summer CNN requested an interview with backpage.com CEO Carl Ferrer about a specific posting involving a girl called "Winter", whose mother was attempting to track her down. The request was ignored, but Mr. Ferrer wrote the following in response:

To our knowledge, Backpage has received no inquiries from law enforcement regarding this matter, nor has any item such as you describe come to our attention prior to your email. Our internal search discloses two ads first posted in April with the word "Winter" and neither depicts a minor. Be advised that Backpage promptly responds to all legitimate law enforcement inquiries in accordance with our Terms of Use and Privacy Policy. Be further advised that a review of backpage.com will disclose links designed to facilitate reports to NCMEC'S CYBERTIPLINE, as well as to Backpage management in the event users identify abuses or violations of our Terms of Use. Thanks for bringing this to our attention, carl

In fact, "Winter" was 12 years old. Police rescued her on June 9, 2010 from her 42 year old pimp and charged him with human trafficking. According to the charging documents, she had been offered for sale on backpage.com.

I would also like to more directly address your claim that your "extensive" efforts have rendered what was true just a short time ago "outdated." This too is not borne out by the facts, nor is it a good faith basis for any legal claim. After receiving your letter, in which you essentially challenged CNN to find an actual current backpage.com ad anywhere in the country that could involve trafficking of an underage girl, CNN ran just such a search. The search pulled up over 12,000 postings in the escort category for that day alone. And although you claim that, "Backpage.com supports its use by law abiding citizens, and is steadfast in its opposition to any abuse of the Internet by third parties bent on committing crimes, including prostitution" the vast majority of these ads appeared to be for illegal prostitution. A typical example:

"Hey Boys, My name is Sasha...I am new in town and all by myself...i am sitting here wondering why. WHY am I all by myself? Fingers wandering all over my body...Why arent you here to help me? You know you want to be-and I want you to too... Call me. Im waiting"

Many of the ads also contained an identification number for a separate web site called The Erotic Review. The Erotic Review is a site where men rate the sexual performance of the women they buy. The inclusion of Erotic Review numbers on backpage.com ads offers strong evidence that these current ads are in fact for illegal prostitution.

Notably, it is difficult to determine from the ads the age of the subject. However, many of the ads include words that law enforcement authorities and the National Center for Missing

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and Exploited Children consider to be red-flags for underage sex trafficking. Words and phrases such as "Sweet Blonde Schoolgirl," "Hot Innocent." "Fresh Sweet," and "Tight Petite Little Cute" continued to appear in ads on backpage.com as recently as a few days ago.

The ads we reviewed also contained some highly suspicious physical descriptions that should serve as red flags to backpage.com management. Several ads touted weights around 100 lbs. One ad advertising an '18' year old in Phoenix described her as "Cute and Petite," putting her weight at 100 lbs. If she is in fact 18, her weight would put her in the 5th percentile of American 18 year olds.

In another ad a female claims to be celebrating her 18th birthday on that day. Since she had previously posted on backpage.com, by her own admission she was clearly underage prior to the January 29 posting.

And although your "backgrounder" claims that backpage.com bans HTML links except from trusted sites, that untested claim also appears to be problematic. CNN's review of the January 29 ads found many instances where ads directly linked to sites that were also overt prostitution sites that may involve underage girls, such as a Pennsylvania ad titled "Home of the High School Escorts", which contained an HTML link to a site called "sweetcandypleasures.com".

There also continue to be arrests subsequent to the time Village Voice claims to have implemented new procedures that rendered past, true allegations "outdated". For example:

- On Friday January 21, 2011 an Anoka Minnesota man was charged with child prostitution after advertising an underage girl on backpage.com.
- On January 7, 2011, police Portsmouth new Hampshire announced that a child
  prostitution investigation was underway after arresting a 16 year old girl in the
  late fall who had advertised sex for sale on backpage.com.

CNN does not deny or fail to point out that in recent months Village Voice Media has taken more steps to better identify subject postings to law enforcement, and this is reflected in its reporting. This too, however, must be presented in the proper context. According to the National Center for Missing and Exploited Children, they received only 3 reports from backpage.com through October of 2010 and a total of 30 for the entire year. For January of 2011 that number rose to 64. However, if there is a universe of 12,000 escort postings daily that might generate an illegal ad these gains are modest at best. And in any event, they provide no factual basis for claiming that CNN's reporting is "outdated" or libelous.

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Nonetheless, CNN will add these figures to its reporting and further emphasize that backpage.com has committed to taking additional steps to address this horrific problem. Time will tell if these efforts are sufficient or effective, but as of now the evidence plainly does not support your claim that CNN's reporting is "outdated."

As should be clear to any objective observer, the information set forth above shows that there is absolutely no good faith basis for Village Voice Media or its attorneys to assert that CNN acted with malice or knowingly reported false information in its report. In fact, the opposite is true -- CNN's reporting is the result of exhaustive research and is factually accurate. Moreover, it involves an issue of critical social and public importance. Under these circumstances a retraction would be unnecessary and inappropriate.

Please also be on notice that CNN intends to protect it rights vigorously, and any effort to further intimidate CNN from reporting on this important issue will be met with aggressive and appropriate legal measures. Of course, this letter is not intended to be an exhaustive recitation of CNN's rights, remedies and defenses, all of which are hereby reserved.

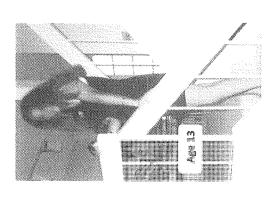
David Vigilante

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# 

# For \$3,000, Backpage.com Allowed Us to Advertise This 13-Year-Old Across the U.S.

- Ad took less than 5 minutes to post across hundreds of cities
- Ad image was posted online instantaneously
- All personal information about the poster was fabricated
- All credit card information was anonymous
- Ad received over 30 calls within 7 minutes of being placed





NCMEC posted 8 under aged pics. We have not found all of them.

We did find the national ad: Posted in all cities for \$2997.45 by Maria Stone, 123 Dallas Court, Washington DC, 20456 They included the phone number 202-681-3397

The ad link is below. It appears live but is actually ghosted: http://phoenix.backpage.com/FemaleEscorts/ready-tor-some-fun-18/12833625

- Ad history:

  1. Original Posting date: Friday, February 25, 2011 at 12:55 pm.

  2. Moderated (Tier 1): Approved by a4r7 at 2011-02-25 12:55:35 (INDIA)

  2. Moderated (Tier 1): Approved by a4r7 at 2011-02-25 12:55:35 (INDIA)

  3. A review of the post shows the moderator followed our guidelines

  1 it is likely our Tier 2 moderators would have also approved it.

  3. A fraud alort email was triggered on the post at February 25, 2011 12:56:46 PM

  4. The ad was ghosted by staff as suspected fraud on February 25, 2011 at 12:58 pm

   The ad was live less than 2 minutes.

  NOMEC reports 30 prione calls This is possible.

  5. The credit card charge was not settled and invoice marked as a fraud by our accounting staff (bp1) on Friday February 25, 2011 at 1:04 pm.

- Policy change recommendation: It would be good to have also included a NCMEC report in the process above. We should report undergaged pics whether they are scammers or real ad posters. In other words, report to NCMEC much more aggressively (blurred or not blurred) pics that could be underaged.
- I asked Andrew to move forward on this task

From: Sent:

Tamara Backpage Wednesday, June 01, 2011 8:41 PM Carl Ferrer

To: Subject: Re: ncmec agenda

18 is the number of subpoenas that indicated, either in the subpoena itself, the attached correspondence, or in conversations with the officer, that a minor was involved. 24% of the May subpoenas involved minors, which is right on par with the normal 15-25%. A lot of the subpoenas we get involve illegal immigration or non-minor

On Wed, Jun 1, 2011 at 12:30 PM, Carl Ferrer Hey Tamara,

### RE:

- 2. Subpoena count
- 76 received
- 18 confirmed as possibly involving a minor

18 seems kind of low since I owuld have though 90% of subpoena's involve child exploitation. Can you confirm?

-carl

### NCMEC UPDATE DRAFT

- 1. May NCMEC report count
- 11 expedited by an urgent email from our staff.
- 2. Subpoena count
- 76 received
- 18 confirmed as possibly involving a minor
- 3. NCMEC reports leading to a subpoena
- 6 Subpoena received in May had postings already reported to NCMEC
- An investigator at the Texas Attorney General's office a sent 3 of the six on 5/31.
- 4. Development recently completed
- A. Soliciting Feedback

We are requesting feedback from Law Enforcement after sending a subpoena.

Attached are backpage.com records relating to the subpoenas received 5/27/11.

- If the attached postings contain juveniles, please advise us when we can remove the postings.

   If the information provided results in a rescue or successful prosecution, please let us know.
- Please send any suggestions on how we can improve the subpoena processing or quality of information requested.

From: Sent:

Andrew Backpage Friday, August 12, 2011 11:47 PM Joye meeting draft

To: Subject:

All:

The biggest casualty of the last twelve months has been how management communicates information to the staff. There was such an emphasis on getting people hired, trained and ready to go with a list of cities that training became inconsistent and sometimes even incomplete. Also, the sensitive nature of moderating adult ads in the public eye led to the necessity of hording information when necessary.

In an effort to get as many people on the same page as possible, I'm going to try and broadcast some moderation standards through more frequent emails and some through staff meetings in the memorial conference room (teleconferencing for the work-from-home staff).

Our first staff meeting of 2011 will be next Friday, August 19th at 2pm. You're only required to attend if you work in the building that day. If you work from home, the corresponding teleconference will take place Thursday August 18 at 2pm. You're only required to attend either meeting if it occurs during the normal hours of your shift. We'll pass along notes from the meetings for the early morning and overnight crews. And we'll do followup meetings for people that don't work Thursday and Friday's at all.

If possible I'd like to collect questions at the end of each meeting to potentially be addressed at subsequent meetings.

I'll be sending out a few emails regarding moderation standards over the next week.

Thanks.

Andrew

From:

John Backpage Wednesday, August 24, 2011 12:27 AM Andrew Backpage Re: young ad

To: Subject:

Cool, yeah thats what I thought too, its just that I had been operating under the assumption before that any time we saw the word young we were to edit it out, so when we changed over to sending it to you guys I wasnt sure if you still wanted it applied across the board or if I could just use my judgment on its context. So I was sending you everything just to be on the safe side, but Ill guage it by context from now on.

On Tue, Aug 23, 2011 at 9:10 AM, Andrew Backpage within the context of this ad, i don't feel that the word "young" is meant to imply underage.

Andrew

On Mon, Aug 22, 2011 at 8:14 PM, John Backpage wrote: https://ral.vvmsecure.com/BodyRubs/grand-opening-special-10-discount-bulls-and-bears-spa-newmanagement-25/, DanaInfo=admin.newyork.backpage.com+21759655

Sent: Sunday, September 04, 2011 3:41 AM To: Carl Ferrer

Subject: Fwd: 10:00 AM EASTERN / 7 AM PST... Namec call in (Final agenda)

From: Andrew Backpage Date: Mon, Jul 11, 2011 at 5:21 PM Subject: Re: 10:00 AM EASTERN / 7 AM PST... Namec call in (Final agenda)
To: Carl Ferrer Company Symptotic Sy

1. I think we should add the moderator name manually in the additional info field instead of having DN automate it based on who submitted the report. We need to keep reports locked down to the 4 people currently making them. Andrew, Joye, Adam, bp14 (jason).

Current: A backpage.com moderator feels the model in this ad looks young.

Proposed: Backpage.com moderator, bp10, feels the model in this ad looks young.

We should also consider assigning anonymous nicknames to Andrew, Joye and Adam in the instances where we're reporting for ourselves.

Andrew - rel Joye - re2 Adam - re3

- 2. This one's easy. We're already conscious of when we're errring on the side of the complaint. We should begin to err on the side of our own judgement. When a user makes a complaint we don't agree with, we don't pass it on to LE.
- 3a. I think "feels the model in this ad looks young" is what we should stick with for now. If we articulate too much, we'll look inconsistent when we don't report every model with a baby face or lack of tattoos or hello kitty t-shirt. LE needs to tell us more of what they're looking for if we're going to expand our details. Right now, it's all just a hunch on our part.
- 3b. We drop "anonymous" from user reports. Example 1: A backpage user has made the following report: "went to hotel room and this girl told me she was 17". If we get subpoenaed for who made the report, we're going to tell LE anyway. Example 2: We received the following report from <a href="https://docs.ncm">hockeymom32@yahoo.com</a>: "this is my 17 year old cousin. take this ad down now". If the complaint claims to be family, we include the email address and preferably include the original complaint in the time sensitive followup.
- 4. I'll ask DN to include the Creation Time along with the time zone in the reports NCMEC receives. This shouldn't be a problem because the info is already in our internal receipts.

Andrew

On Mon, Jul 11, 2011 at 1:51 PM, Carl Ferrer < wrote: Andrew tasks:

- 1. Have moderator username added to the name report. Why? LE says they may want to talk to that moderator and it might help us to keep moderators accountable.
- 2. Train staff better on making reports. They get too many where user looks over 18.
- 3. Have moderator's articulate why they think they are under aged. This one is tough. We should review what we say. Our lawyers say we should not use the anonymous anymore. We should draft up a couple of different replies
- 4. Check if we are supplying the Time, Date, and Time zone stamp to NCMEC report If not, we could add it.
- carl

### NCMEC JULY UPDATE

- 1. June NCMEC report count
- 280 reports sent.
- 23 reports expedited by us
- 33% of reports are from users
- Subpoenas from NCMEC reports
   total subpoenas

- 19 of those indicated child exploitation
  5 subpoenas were LE followups from NCMEC reports.
- We had two rescues as the result of NCMEC reports.
- The Texas Attorney Generals investigators are the most active in follow up the most on NCMEC reports.
- 4. Meeting with SGT Byron Fassett and 7 others including FBI, ICAC, ASUSA, ADA, etc. in Dallas on 7/6/2011.

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Their requests are below:

- Train staff better on making reports. They get too many where user looks over
- Have moderator's articulate why they think they are under aged.
- Build a phone number look up with login for law enforcement.
- Build an image hash
- Add backpage username who made the report to NCMEC report
- Add a Time, Date, and Time zone stamp to NCMEC report
- Add PSA (in listings and/or on the ad)

(Example: explain the criminal penalty for statutory rape)

- 5. User safety section to be released this month http://devel.backpage.com/online/classifieds/UserSafety
- 6. Preparing for CACC
- Law enforcement guide
- 7. Photo DNA

I met with Sue Hotelling and Bill Harmon at Microsoft Conclusion: We all concluded this image technology maybe overkill for us.

- 8. Comments on the NCMEC Q&A report examples from the last meeting.

a. Same email, same IP, same images, 5 days apart These are web cams / email harvesters. They are a huge problem for us. They often use pics that look under aged and include bogus phone number.

b. Same email, same IP, same image

Do we create a report with an option to report all ads by that user and send it in the same file? It's a technical challenge

c. Reposted 5/19/11 and originally posted 4/12/11

We have ask our moderators to only report current postings. Though any user reporting an old ad, we will still send to NCMEC.

- d. Different email address, different ip, different city, same images, same posting
- The ads appear to be unique
- It looks like images stolen from some other site or the duplicate ad.

From: Sent: To:

Cc: Subject: Attachments:

andrew NCMEC reminder

in out party celebrate my 18th Bday with me! - cleveland escorts - backpage.com.pdf

Hi guys,

This ad was posted last Monday, then bumped to the top a few times last week. The staff in India approved it, then at least 4 of our crew moderated it but no one reported it. It was flagged by a user this morning. The ad implies that she is taking appointments before she is 18 years old. If you see anything like this, please send it to Andrew, Adam, Jason and myself so we can report it to NCMEC right away.

Let me know if anyone has any questions.

Thank you Joye

```
> On Jan 31, 2012, at 8:51 AM, Michael Lacey wrote:
>> guys
>>
>> couple of points:
>>
>> 1) \ Redacted for privilege
>> [Redacted for privilege] Is not accurate to say we arent
>> co-operating, not only are we meeting with them, they have told us
>> they have not identified law breaking on our part. (but they continue
>> to drag out and not provide confidentiality as part of a process to
>> turn over documents)
>> 2) we need to fish or cut bait with craig, once again we are getting
>> hit over the head with the big lie that craig got out of adult. this
>> is doubly destructive: it makes craig look like he quit; it makes it
>> look like we should quit too.
>> (Redacted for privilege | S in Detroit, for all we know, these people used
>> many services not just backpage, maybe even craig.
>> 3) within the responcewe need to note that as deplorable as this case
>> is, and it is appalling, it is one bad case amongst how many millions
>> of ads that involve no one under age.
>> 4) drug dealers use cell phones, fed-x, when you bust them you do not
>> advocate shutting down phone service, overnight deliveries, underage
>> people use phony I.D. to get into bars, thousands of people patronize
>> local bar legally, you dont close it when someone underage deceives
 >> the owner of the bar.
 >>
 >> 5) in time period covered in this story, this is only the second case
>> developed by the attorney general, the case is awful, but with two >> cases it is not yet a tsunami of underage trafficking, prosecute this >> case, these individuals, get care and treatment for the victims and
 >> stop pandering to yahoos.
 >> (how long to determine the Detroit Analysis ie where else these hoods
 >> operated besides backpage)
 >> shouldnt sitrick have a responce prepared?
 >>
 >> On 1/31/12, Scott Tobias <
 >>> Guys:
 >>>
 >>> Link below.
 >>>
```

```
>>> http://www.denverpost.com/news/ci_19856313?source=pop
>>> I was also picked up by Channel 7 KMGH last night.
>>>
>>> Let's push back hard with what we do to combat the issue.
>>>
>>> ST
>>>
>>> Begin forwarded message:
>>>> From: Scott Tobias <
>>> Subject: Re: POST ARICLE ON BP
>>> Date: January 31, 2012 6:44:06 AM MST
>>>> To: Scott Tobias
>>> Cc: Den-Sales Den-Sales <
 Patricia
>>>>
 >, Scott Tobias
>>>>
>>>>
>>>> http://www.denverpost.com/news/ci_19856313?source=pop
>>>>
>>>> Link above - it is also likely to get picked up on Television.
>>>>
>>>>
>>>> Jan 31, 2012, at 6:42 AM, Scott Tobias wrote:
>>>>
>>>> Sellers:
>>>>
>>>> There is a story on the front page of the Denver Post today regarding
>>>> Backpage.com and child prostitution. You will likely have some
>>>> advertisers call you on tho sand even some who will try to cease their
>>>> advertising with you.
>>>>
>>>> Couple points on this for you to have when dealing with this and points
>>>> that you should make clear:
>>>> Backpage.com is a separate operating entity outside of Westword.
>>>>
>>>> There are zero back page employees in Denver.
>>>>
>>>> You have noting to do with Backpage.
>>>>>
>>>> Village Voice Media spends millions of dollars policing the site to stop
>>>> illegal activity and to try to protect young children from exploitation.
>>>> Village Voice Media is a first responder, we work hand in hand with local
>>>> law enforcement, the FBI and the National Center for Exploited and
>>>> Missing Children (NCEMC). We turn over suspicious ads to these groups and
>>>> are the first to respond, often responding in 24 hrs to subpoenas or
>>>> request for info regarding missing kids. Our mission is to save kids in
```

## 778

```
>>>> distress.
>>>>
>>>>> We are on the right side of this issue. These ads that run on Backpage >>>>> ALSO run on Google, Twiter, Facebook and in the Yellow Pages. These >>>> entities often take weeks if not months to cooperate with law
>>>> enforcement.
>>>> if Backpage were to exit this business it will only get worse. And there
>>>> is NO guarantee that another organization would dedicate as much resource
>>>> or dollars to fighting these issue as we do.
>>>> You are not to comment to the press, if you do get a press inquiry turn
>>>> it to Steve Suskin our attorney and keep me informed. Steve is at
>>>> Steve.suskin@villagevoicemedia.com and 602-229-1005.
>>>>
>>>> Our managers and I are are here to help you if you have any questions or
>>>> run into an issue on this. Keep me posted.
>>>>
>>>> Have a great day.
>>>>
>>>> Scott
>>>>
>>>
>>>
```

Kolter audit 2/8/12

### Pros

- Snap links all the ads, does not choose and pick.
- Enlarges borderline images.
  Checks user's account if he finds a violation in an ad.
- Moderates sponsored ads.

### Cons

- Removes blank pricing e.g. 100,120 100-200.
  Did not remove banned term e.g. French.
- Removes non sexual terms e.g. taste, spank.
- Does not check user's link often.
- Snap links too many ads per snap, 275 ads
- does not report young escorts

My overall feeling is Kolter is an ok moderator. He could use additional training on the pricing standards and user's links. Good job.

From: Sent: To: Subject:	Andrew Backpage Monday, February 27, 2012 3:57 PM Joye Backpage Re: child porn on your site	
yeah. i think that's doir	ng enough.	
we don't always want to	o remove ads based on user complaints but she isn't being dramatic	
Andrew		
	at 8:41 AM, Joye Backpage <	
On Mon, Feb 27, 2012 Forwarded me	at 7:58 AM, Abuse Backpage < <u>bp-abuse@backpage.com</u> > wrote:	
From: Redacted Fo Date: Sun, Feb 26, 201	r Privacy	
Subject: child porn on	your site	
To: abuse@backpage.c	<u>om</u>	
was using ads on your	was missing and was forced into prostitution he site there are two ads still up with my daughter me about taking these ads down	
http://ventura.backpage.com/FemaleEscorts/call-415-571-35-66-and-meet-sexy-newby/20178655 http://losangeles.backpage.com/FemaleEscorts/call-415-571-35-66-and-meet-sexy-newby/20178655		

From:

Sent: To: Cc: Subject:

Andrew Backpage
Monday, April 16, 2012 5:51 PM
Carl Ferrer
Tamara
Re: April NCMEC agenda draft

The only thing I would consider adding is that we've worked with Staca to streamline how they handle our after hours and weekend escalations.

Andrew Padilla Backpage.com Operations Manag

On Sun, Apr 15, 2012 at 6:55 PM, Carl Ferrer

wrote:

Please send me any updates I should make to this agenda.

Also, please feel free to add anything I should cover so that I have no surprises during our meeting.

Please send me this stuff by Monday 5PM.

- carl

NCMEC UPDATE

April meeting

- 1. Welcome Liz
- a, Her role
- b. Examples of some of the tasks she is currently doing
   evaluating moderation technology such as filter terms and the actions taken on triggered terms
- reviewing staff allocations
- reviewing records and subpoena compliance procedures.
- Defining and prioritizing improvements

2. NCMEC REPORT COUNT Jan NCMEC reports sent: 508 (urgent emails: 17) Feb NCMEC reports sent: 416 (urgent emails: 8) Mar NCMEC reports sent: 368 (urgent emails: 8)

2011 History jan 90 jan 92 feb

150 mar apr 230 may 214

From: Monita
Sent: Thursday, July 12, 2012 6:10 PM
To: Andrew Backpage
Cc: Joye Backpage; Carl Ferrer
Subject: Re: Moderation Report

Thank you Andrew for explaining the other issues. We will certainly focus on the over cautiousness aspect of moderation with the team

Best Monita

On Thu, Jul 12, 2012 at 9:57 AM, Andrew Backpage Wrote: Hi Monita,

I think the first item on your list is a possible explanation for the decrease of moderated ads. I agree that "over cautiousness" is as big of a problem as moderators that miss a lot of violations. We have to find that balance. I know it's difficult.

Item 2: We're seeing the same thing, which is clearly a problem, but it didn't affect our numbers in Phoenix.

- 3: See if you can get me a screen cap of that. But this also shouldn't affect your numbers.
- 4: That's the queue working properly. It never loads only one ad. After you click on any ad title, the queue will load that ad and any ads below it in the list. Your screen shots confirm that the list and the ads are in the proper sequence.
- 5: We've seen this too. Tell your crew not to worry about this right now. There are still some anomalies working their way through the system. I'm not as worried about a handful of ads that get delayed as I am the overall drop in ads moderated. I think your meeting about "over cautiousness" will be a huge help.

Thanks for everything, Monita.

Andrew Padilla Backpage.com Operations Manager

On Thu, Jul 12, 2012 at 9:34 AM, Monita wrote: Hi Joye

Thank you for bringing this to my attention.

We are working on this. Several factors are coming into play for the team eausing some confusion/concern

•

support@villagevoicemedia.com Tuesday, November 16, 2010 7:02 PM

From: Sent:

To: Subject: [Backpage.com 0012840]: Admin data box when in ADMIN: add moderation log field The following issue has been RESOLVED. http://tasks.vvmedia.com/view.php?id=12840 Reported By: ferrerc Assigned To: ferrerc Project: Backpage.com Issue ID: 12840 Category: Reproducibility: backpage.com always minor Severity: Priority: normal Status: resolved Task Type: support Task Activity: Open Task Scope: Small Source: Exp. Start Date: Exp. Comp. Date: Fiscal Quarter: Resolution: open Fixed in Version: Date Submitted: 11-09-2010 21:17 MST Last Modified: 11-16-2010 12:01 MST Summary: Admin data box when in ADMIN: add moderation log field Oescription: In admin view, you do not see the moderation log in the admin data box. See here: (no moderation log) http://admin.newyork.backpage.com/BodyRubs/s e x x y -h o t- a s i a n -22/17957599 In the moderation queue, I can see the admin data box. But our US staff will browse the site in admin and catch errors, they need to send them to the person making the mistake. 1. Add Moderation Log to admin data box (when in admin view): Example: Moderation Log: Failed by at1 at 2010-11-09 10:08:50.

> 1 App.000783

ferrerc - 11-14-10 11:27

______

I'm sorry I changed my mind about this task:

If I have a moderation  $\log$  appear in the admin data box of an ad that I pull for a subpoena, it might say "approved by BP31" and if the ad is illegal, I may find myself needlessly in the position of explaining that our admin users make mistakes.

So, I would like to just close this task.

DesertNet - 11-16-10 11:52

Desertnet - 11-16-10 11:52

No problem. Our change wasn't released so this should all be good.

### Thanks.

Issue History Date Modified (	Jsername	Field	Change
*************			
	ferrerc	New Issue	
11-09-10 21:17	ferrerc	Task Type	=> support
11-09-10 21:17	ferrerc	Task Activity	=> Open
11-09-10 21:17	ferrerc	Task Scope	=> Small
11-09-10 21:25	ferrerc	Summary	Improvements to the
admin data box w	hen in ADMIN =>	Admin data box when in A	ADMIN: add moderation log field
11-09-10 21:25	ferrerc	Description Updated	
11-09-10 21:37	ferrerc	Status	new => assigned
11-09-10 21:37	ferrerc	Assigned To	=> DesertNet
11-09-10 22:17	DesertNet	Status	assigned ≈> wip
11-14-10 11:27	ferrerc	Note Added: 0039061	-
11-16-10 11:52	DesertNet	Note Added: 0039085	
11-16-10 12:01	DesertNet	Assigned To	DesertNet => ferrerc
11-16-10 12:01	DesertNet	Status	wip => resolved
	***********		*******

support@VillageVoiceMedia.com Wednesday, October 24, 2012 10:09 PM andrew From: Sent:

To: Subject: [Backpage.com 0013628]: user activity reports

The following issue has been CLOSED

http://tasks.vvmedia.com/view.php?id=13628

Reported By: padillaa Assigned To: . vaughtj

Project: Backpage.com

Issue ID: 13628 Category: Reproducibility: backpage.com always minor Severity: Priority: normal Status: Task Type: closed support Task Activity: Open

Task Scope:

Source: Exp. Start Date: Exp. Comp. Date: Fiscal Quarter:

Resolution: reopened

Fixed in Version: 

Small

Date Submitted: 03-01-2011 17:23 MST 10-24-2012 14:08 MST Last Modified:

Summary: user activity reports

Description:

Is it possible to generate a report based on how many ads were viewed and edited by each individual bp username?

Example:

User | Date | Time | Ad Updated bp15 | 3-1-11 | 510pm | No bp15 | 3-1-11 | 511pm | No bp15 | 3-1-11 | 512pm | Yes

and:

User|Date|Total Ads Viewed|Total Ads Updated

1

DesertNet - 03-01-11 17:28
Where would we be tracking this? In the moderation queue, or on the admin.city.backpage.com sites, or?
Please let us know and we'll evaluate what can be achived.
padillaa - 03-01-11 17:54
Ideally, it would be global so we'd track it at admin.www.backpage.com
And password protect it, now that I think of it.
DesertNet - 03-01-11 18:01
Thanks.
$\ensuremath{Ads}$ created and updated are definitely trackable. Viewed ads would have more challenges but are achievable.
Is your goal on unique only meaning that if I edited the same ad 10 times, would it log 10 times or just once?
Please let us know the most important data you are after and we can evaluate the best way to achieve this.
padillaa - 03-01-11 19:26
The most important data would be unique views and unique edits. Thanks.
DesertNet - 03-01-11 20:47
For the views, it would only be the view ad page, correct?
Also, is the goal of the report daily totals much like we are doing for moderation totals?
padillaa - 03-02-11 09:34
Right. It would only be the view ad page.
The goal of the report daily totals is to compare the daily productivity of second-tier moderators, whereas the goal of the chronological report would be to know when a second-tier moderator is asleep at the wheel.

Our Indian moderators (first-tier)are covering the ad queue. The chronological nature of the queue and the Moderation Log Report give us a good idea of how they're doing.

Our Phoenix moderators (second-tier) browse the site in admin mode looking for any violations that were overlooked in the queue. But we don't presently have a way of measuring if someone working from home is keeping busy.
DesertNet - 03-02-11 09:49
Thanks. This is definitely helpful information.
One additional question, likely the last one: how far back do we need to keep the logs? For moderation, I think the original request was a week but we actually bumped that up to six weeks.
Thanks.
padillaa - 03-02-11 14:17
I think six weeks would work great for these reports as well.
DesertNet - 03-02-11 23:12
Thanks. We have the necessary info to move forward.
DesertNet - 03-08-11 16:51
The user activity report is now live and can be accessed from the admin.www homepage. More specifically:
http://admin.www.backpage.com/online/central/admin/index
It will log all unique edits and unique views of ads on admin.* sites.
Please kick the tires and let us know how it looks.
padillaa - 03-08-11 17:16
It looks really good. Any chance of password protecting it?
DesertNet - 03-08-11 17:21
Great to hear.
It is actually currently password protected but probably too loose based on your comment. The current restrictions match the moderation log restrictions. More specifically, all authenticated users in the following groups:

3

admin manager sales

If you would like to limit the groups and/or users that can access this report, please let us know the definition and we can make the modifications. Thanks! padillaa - 03-08-11 17:29 Let's start by locking it down and only giving access to: username - andrew username - joye Will there also be a chronological breakdown of activity in this report eventually or is that something separate? padillaa - 03-08-11 17:30 I just opened 300 tabs in AZ and the report is only showing 225 for  $\ensuremath{\text{me}}.$ DesertNet - 03-08-11 18:15 It's now restricted to andrew and joye only. The form will also be hidden on the admin page as well. Regarding the 225, we'll check on this. In the meantime, can you confirm they were unique DesertNet - 03-08-11 19:20 Andrew, we've cleared your log. Can you do the exact same test again and let us know if you get 300 this time? Thanks. _____ padillaa - 03-08-11 19:46 Regarding the first 300, I snaplinked the entire first page of escort ads in AZ minus sponsors. They should have all been unique. I repeated that, just now, and my count in the report shows 304. The city page + 300 ads + the queue page + admin.www + activity report = 304DesertNet - 03-09-11 11:46 -----Thanks Andrew. We've cleared out the activity for your account. Can you try the same exact 300 blast one more time? padillaa - 03-09-11 11:52 Done.

4

DesertNet - 03-09-11 11:54
Thanks. That looks good. Everything balances now.
The issues were due to the asynchronous processing of the data. We've updated how everythin is stored to address this.
DesertNet - 03-09-11 12:02
The individual user logs are now available by clicking on the user name in the main report. It will match the date range currently being viewed.
Please let us know if you would like any tweaks.
If not, we believe this is a wrap.
Thanks!
padillaa - 03-09-11 15:29
Can you add access to username: ferrer
The report looks great. Thanks.
DesertNet - 03-09-11 15:39
Great to hear/read!
ferrer has been added.
padillaa - 03-10-11 08:51
Can you also give access to username: hyerd and username: tamara
That covers all of the managers.
DesertNet - 03-10-11 12:29
Sounds good. This change has been released.
vaughtj - 10-18-12 15:14
Can you make this report visible for Jessica Shelton - bp16
DesertNet - 10-18-12 18:16

Done.

Issue History		51.31	
Date Modified	Username	Field	Change
03-01-11 17:23	padillaa	New Issue	and take that that the last one was the star one one
03-01-11 17:23	padillaa	Task Type	⇒> support
03-01-11 17:23	padillaa	Task Activity	=> Open
03-01-11 17:23	padillaa	Task Scope	=> Small
03-01-11 17:23	padillaa	Assigned To	=> DesertNet
03-01-11 17:23	padillaa	Status	new => assigned
03-01-11 17:28	DesertNet	Note Added: 0041405	Hen as assagned
03-01-11 17:28	DesertNet	Note Edited: 0041405	
03-01-11 17:28	DesertNet	Assigned To	DesertNet => padillaa
03-01-11 17:28	DesertNet	Status	assigned => feedback
03-01-11 17:54	padillaa	Note Added: 0041407	<b>G</b>
03-01-11 18:01	DesertNet	Note Added: 0041408	
03-01-11 19:26	padillaa	Note Added: 0041412	
03-01-11 19:26	padillaa	Assigned To	padillaa => DesertNet
03-01-11 20:47	DesertNet	Note Added: 0041413	,
03-01-11 20:48	DesertNet	Assigned To	DesertNet => padillaa
03-02-11 09:34	padillaa	Note Added: 0041419	
03-02-11 09:34	padillaa	Assigned To	padillaa => DesertNet
03-02-11 09:49	DesertNet	Note Added: 0041420	,
03-02-11 09:50	DesertNet	Assigned To	DesertNet => padillaa
03-02-11 14:17	padillaa	Note Added: 0041440	,
03-02-11 14:17	padillaa	Assigned To	padillaa => DesertNet
03-02-11 23:12	DesertNet	Note Added: 0041450	•
03-02-11 23:12	DesertNet	Status	feedback => wip
03-08-11 16:51	DesertNet	Note Added: 0041627	·
03-08-11 16:52	DesertNet	Assigned To	DesertNet => padillaa
03-08-11 16:52	DesertNet	Status	wip => feedback
03-08-11 17:16	padillaa	Note Added: 0041631	·
03-08-11 17:16	padillaa	Assigned To	padillaa => DesertNet
03-08-11 17:21	DesertNet	Note Added: 0041632	·
03-08-11 17:21	DesertNet	Assigned To	DesertNet => padillaa
03-08-11 17:29	padillaa	Note Added: 0041633	•
03-08-11 17:30	padillaa	Note Added: 0041634	
03-08-11 18:15	DesertNet	Note Added: 0041635	
03-08-11 19:20	DesertNet	Note Added: 0041636	
03-08-11 19:46	padillaa	Note Added: 0041637	
03-09-11 11:46	DesertNet	Note Added: 0041666	
03-09-11 11:52	padillaa	Note Added: 0041667	
03-09-11 11:54	DesertNet	Note Added: 0041668	
03-09-11 12:02	DesertNet	Note Added: 0041570	
03-09-11 15:29	padillaa	Note Added: 0041686	
03-09-11 15:39	DesertNet	Note Added: 0041687	
03-09-11 16:03	padillaa	Status	feedback => resolved
03-09-11 16:03	padillaa	Status	resolved => closed
03-09-11 16:03	padillaa	Resolution	open => fixed
03-10-11 08:44	padillaa	Note Added: 0041710	
03-10-11 08:44	padillaa	Status	closed => open
03-10-11 08:45	padillaa	Assigned To	padillaa => DesertNet
03-10-11 08:45	padillaa	Status	open => assigned
03-10-11 08:51	padillaa	Note Edited: 0041710	
03-10-11 12:29	DesertNet	Note Added: 0041731	
03-10-11 12:30	DesertNet	Assigned To	DesertNet => padillaa

## 

03-10-11 12:30	DesertNet	Status	assigned => resolved
03-10-11 15:56	ferrerc	Status	resolved => closed
10-18-12 15:14	vaughtj	Assigned To	padillaa => DesertNet
10-18-12 15:14	vaughtj	Status	closed => feedback
10-18-12 15:14	vaughtj	Resolution	fixed => reopened
10-18-12 15:14	vaughtj	Note Added: 0053345	
10-18-12 18:16	DesertNet	Note Added: 0053346	
10-18-12 18:16	DesertNet	Assigned To	DesertNet => vaughtj
10-18-12 18:16	DesertNet	5tatus	feedback => resolved
10-24-12 14:08	ferrerc	Status	resolved => closed
			=======================================

ent: o: ubject:	Andrew Padilla Thursday, September 02, 2010 1:01 AM Carl Ferrer Re: quickee	on behalf of Andrew Padilla
now about "qk"		
Andrew Padilla Operations Manager Backpage.com; Village Voice Mc	dia	
1. "Quickie" "Quikee"	0 PM, Carl Ferrer wrote:	
1. "Quickie" "Quikee" "quickee"		
"Quickie" "Quikee" "quickee"  banned from escorts  per scott could you d		

# CONFIDENTIAL DRAFT FOR REVIEW 2/25/11

# For \$3,000, Backpage.com Allowed Us to Advertise This 13-Year-Old Across the U.S.

- Ad took less than 5 minutes to post across hundreds of cities
- Ad image was posted online instantaneously
- All personal information about the poster was fabricated
- All credit card information was anonymous
- Ad received over 30 calls within
   7 minutes of being placed



From: Carl Ferrer
Subject: NCMEC under aged pics test
Date: March 2, 2011 13:52:15 AM MST
To: Hemanshu
Spear Jim Larkin

NCMEC posted 8 under aged pics. We have not found all of them.

We did find the national ad: Posted in all cities for \$2997.45 by Maria They included the phone number 202-681-3397

The ad link is below. It appears live but is actually ghosted: http://phoenix.backpage.com/FemaleEscorts/feady-for-some-fun-18/12833625

- Ad history:

  1. Original Posting date: Friday, February 25, 2011 at 12:55 pm.

  2. Moderated (Tier 1): Approved by a467 at 2011-02-25 12:56:35 (INDIA)

  2. Moderated (Tier 1): Approved by a467 at 2011-02-25 12:56:35 (INDIA)

  3. A resulte of the post shows the moderator followed our guidelines

  11 is likely our Tier 2 moderators would have also approved at

  3. A fraud alore mail was thiggered on the post at February 25, 2011 12:56:46 PM

  4. The ad was ghosted by staff as suspected fraud on February 25, 2011 at 12:59 pm

   The ad was live less than 2 minutes.

  NOMEC reports 30 phone calls This is possible.

  5. The credit card charge was not settled and invoice marked as a fraud by our accounting staff (bp1) on Friday February 25, 2011 at 1:04 pm.

Policy change recommendation: It would be good to have also included a NCMEC report in the process above. We should report underaged pics whether they are scammers or real ad posters. In other words, report to NCMEC much more aggressively (blurred or not blurred) pics that could be underaged.

I asked Andrew to move forward on this task.

From: Sent:

To: Cc: Subject:

andrew padilla
Monday, September 06, 2010 12:31 AM
carl ferrer
dan hyer; Scott Spear
Re: Fwd: terms and services
CHILIB1-12793061-v1-Backpage list of escort services terms-adp.DOC

Carl:

My additions are at the end of your list. These additional terms are currently filtered in their common forms and removed manually in their variations.

I'm not sure how the document formatting will look (I'm stuck on open office). Let me know if I should resend as another file type.

Andrew Padilla Operations Manager Backpage.com - Vill.

>>> On 9/4/2010 at 3:01 PM, Carl Ferrer

wrote:

1. Andrew:
Could you add to the banned list terms on the attached word doc and sent to me Monday 8 AM.

2. Dan
Tues AM, we pull all staff off marketing and have them do moderation. I will be there to train.
We will start at 8 AM sharp and quit at 11 AM. It will be a daily routine for awhile. We'll coordinate with Andrew to avoid duplication of effort later.
Goal is to make sure we are clean when the many new users check out our site.

3. Scott I scheduled the change on the interstitial. Sent Wil email to expedite. Working on plan to add progressive rights to edit or use html.

The following terms, service and code words are not allowed in the adult escort category on backpage.com as they imply a sex for money transaction or relationship which is a violation of Backpage.com's Terms of Use. Posts containing these terms will be removed. Continued use of these terms by a poster will result in that person being banned from using the site:

```
backdoor
lingam
pegging
bukkake
french, italian, russian, (when part of a price menu)
multi pops
msog (multi shots on goal)
deep throat
oral
anal
BnG (blow and go)
lolli or lollipop (when it's not a bachelor party show) anything with "back" next to a price
head doctor/specialist
BBBJ
Full Service
Greek
BJ
CBJ
CIM
DATY
Full release
Blow pops
half and half
happy ending
rimming
quickie
trip to islands
Trip to the Mediterranean
trip to greece
speak(s) foreign languages
barely legal
holes
cum
pussy
fuck
cunt
```

blow

Note: there are many creative spellings for the terms above which are too numerous to include in any list; but these terms, however they may be spelled, will be considered "off limits." Also,this list may be amended from time to time and is in no way meant to be a limitation on what terms may be banned or excluded by backpage.com.

The following services and terms are examples of terms that have been deemed to be acceptable in the past in the adult escort section of backpage.com . This list may be amended from time to time as other services and terms that are acceptable under our Terms of Use become known to us; at the same time, backpage.com reserves the right to delete any term or terms seen on this list, as the same may be amended from time to time.

Massage
Body rubs
Strip tease, stripping and strip shows
Dancing
Friendship
Bachelor and bachelorette parties
Companionship
Escorts
Dinner or lunch date
Two Girl show
Exhibition
Nude or nudity
Overnight stay
Travel companion
modeling

12793061\V-I

### 798

From: Carl Ferrer on behalf of Carl Ferrer

Sent:

Thursday, December 09, 2010 5:06 PM Andrew Padilla Joye Dan Hyer Re: potential new filters (draft) To: Cc: Subject:

Awesome work. I have no revisions. I know there will be some false positives, but we can deal with them when they come up.

You will need to keep an eye on the bp abuse filter emails.

I will pass on your list to our internet safety advisors and Spear.

Note: I edited your comments below to avoid any misunderstandings on their part.

Carl

On Dec 9, 2010, at 1:25 AM, Andrew Padilla wrote:

Lincluded in this spreadsheet every phrase that was submitted by the phx and dallas staffs (425 in all). I think it's important, regardless of the final designations, to keep all of the phrases in the list for later training purposes. It's just as important for the staff to know what not to remove and it is to know what's banned.

I made an effort for there to be no exact duplicates in this list but I'm pretty sure some of the phrases here are existing filters. (In every instance where I say "filter", I specifically mean Strip Term From Ad filters.

The N/A phrases are terms that I felt were too commonplace, purely descriptive or innocuous. Anyway the consensus decides, though, is fine with me.

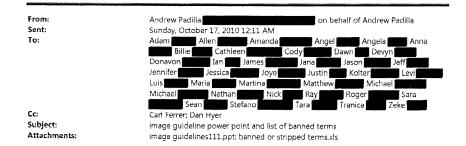
The Too Broad phrases overlap a little with N/A but the same reasons apply. I just felt it was worth pointing out when a filter might do damage.

Send me your revisions and I'll finalize the list. Once that's done, I can add the filters in a day and distribute the big list to phx, dallas and india

P.S. In the instances where a phrase includes an asterisk or other punctuation, the actual filter will not. The filters seem to work around punctuation anyway.

Andrew Padilla Operations Manager Backpage.com Vill

big list of new phrases - first draft.xls>



Some of you already received this presentation by Gtalk but I'm attaching it for those of you that haven't.

For the slides that say Fail, you shouldn't actually use the Fail button in the queue. Whether in the queue or in manual review, images that fit the Fail criteria should be removed from ads.

For images described as Graphic Sex Acts, the entire ad should be removed.

This is only a guideline. Most of you already have a good idea of how to handle most images. If that's working for you, stick to it. You're not going to get in trouble for being too clean right now.

Images aside, it's the language in ads that's really killing us with the Attorneys General. Images are almost an aftenhought to them.

I'm attaching a list of terms that are either banned or being stripped out automatically by filters. You should be looking for the misspellings that the filters and bans are missing.

Andrew Padilla Operations Manager Backpage.com Village Voice Media Sheet1

anal
backyard
bbbj
back door
bare back
blow
blow job
blow pop
bukkake
cum
cbj
cim
cock
cunt
daty
deep throat
doggie style
double penetration
fs
foreign languages
fuck
full service
full release
greek
holes
half and half
happy ending
head
horny
lingam
lolli
manual end
milking
msog
multi pops
oral
oral exam
oral expert
oral fixation
orally
orgasm
pegging
pussy
quicky
rape
rimming
suck
tight
wet
young

Page 1

From: Sent: To: Subject: Attachments: Andrew Backpage
Friday, May 11, 2012 7:07 PM
James Hammer; Robinson; Joyel
forbidden planet
filter term - forbidden,xlsx

Andrew Padilla Backpage.com Operations Manager

1

					Sheet1	
1	ana!	Ad	Ban	b	×	"Anal" is a forbidden word in this category.
1	anal	Ad	Ban	b	x	"Anal" is a forbidden word in this category.
1	anl	Ad	Ban	b	×	"Anal" is a forbidden word in this category.
1	ass up pantie	Ad	Ban	b	x	"Ass up panties down" is a forbidden phrase in this categ
1	back door	Ad	Ban	b	x	"Back door" is a forbidden term in this category.
1	Back-door	Ad	Ban	b	x	"Back door" is a forbidden term in this category.
1	backdoor	Ad	Strip Term Fro	b	x	"Back door" is a forbidden term in this category.
1	Bang me Har	Replies	Ban	b	x	"Bang me hard" is a forbidden phrase in this category an
1	bare back	Ad	Ban	b	x	"Bareback" is a forbidden term in this category.
1	bareback	Ad	Ban	b	x	"Bareback" is a forbidden term in this category.
1	barely legal	Ad	Ban	b	x	"Barely legal" is a forbidden term in this category.
1	barelylegal	Ad	Ban	b	x	"Barely legal" is a forbidden term in this category.
1	BBBJA	Ad	Ban	b	×	"BBBJ" is a forbidden term in this category.
1	bbbjtc	Ad	Ban	b	×	"BBBJ" is a forbidden term in this category.
1	bbbjtcim	Ad	Ban	b	x	"BBBJ" is a forbidden term in this category.
1	bbbjtcws	Ad	Ban	b	×	"BBBJ" is a forbidden term in this category.
1	bbbjwf	Ad	Ban	b	x	"BBBJ" is a forbidden term in this category.
1	bbbj	Ad	Ban	b	×	"BBBJ" is a forbidden word in this category.
1	bbjs	Ad	Ban	b	x	"Bbjs" is a forbidden term in this category.
1	beejay	Ad	Ban	b	×	"Beejay" is a forbidden term in this category.
1	bend over and	Ad	Ban	b	x	"Bend over and be my bitch" is a forbidden phrase in this
1	bf3	Ad	Ban	b	×	"Bf3" is a forbidden term in this category.
1	bj	Ad	Ban	b	×	"BJ" is a forbidden word in this category.
1	bjs	Ad	Ban	b	x	"Bjs" is a forbidden term in this category.
1	blow job	Ad	Ban	b	x	"Blow job" is a forbidden term in this category.
1	blowjob	Ad	Ban	b	×	"Blow job" is a forbidden term in this category.
1	bl0w	Ad	Ban	b	×	"Blow" is a forbidden word in this category.
1	boink	Ad	Ban	b	×	"Boink" is a forbidden word in this category.
1	boinking	Ad	Ban	b	x	"Boinking" is a forbidden word in this category.
1	boning	Ad	Ban	b	x	"Boning" is a forbidden word in this category.
1	brownshower	Ad	Ban	b	x	"Brown shower" is a forbidden term in this category.
1	bukkake	Ad	Ban	b	x	"Bukkake" is a forbidden word in this category.
1	bust a nut	Ad	Ban	b	×	"Bust a nut" is a forbidden phrase in this category.
1	bust me wide	Ad	Ban	b	×	"Bust me wide open" is a forbidden phrase in this catego
1	cardate	Ad	Ban	b	×	"Cardate" is a forbidden term in this category.
1	cbj	Ad	Ban	b	×	"Cbj" is a forbidden term in this category.
1	CIM	Ad	Ban	b	×	"Cim" is a forbidden term in this category.
		-				

Page 1

				9	Sheetl	
1	cum	lAd	Ban	b	×	"Cum" is a forbidden word in this category.
1	cunt	Ad	Ban	b	×	"Cunt" is a forbidden word in this category.
1	daty	Ad	Ban	b	x	"Daty" is a forbidden phrase in this category.
1	deep throat	Ad	Ban	b	x	"Deep thoat" is a forbidden term in this category.
1	deepthroat	Ad	Ban	b	x	"Deep thoat" is a forbidden term in this category.
1	devour your m	Ad	Ban	b	×	"Devour your manhood" is a forbidden phrase in this cate
1	dildo gag	Ad	Ban	b	×	"Dildo gag" is a forbidden term in this category.
1	Doggie Style	Ad	Ban	b	x	"Doggie style" is a forbidden term in this category.
1	double penetr	Ad	Ban	b	×	"Double penetration" is a forbidden term in this category.
1	ejaculation	Ad	Ban	b	×	"Ejaculation" is a forbidden word in this category.
1	face down ass	Ad	Ban	b	×	"Face down ass up" is a forbidden phrase in this categor
1	fellatio	Ad	Ban	b	×	"fellatio" is a forbidden code word in this category and do
1	Fuck	Ad	Ban	b	x	"Fuck" is a banned word in this category.
1	GF3	Ad	Ban	b	x	"gf3" is a forbidden term in this category.
1	gfe	Ad	Ban	b	x	"Gfe" is a banned term in this category.
1	girl friend expe	Ad	Ban	b	×	"girl friend experience" is a forbidden term in this categor
1	girlfriend exp	Ad	Ban	b	×	"girlfriend exp" is a forbidden term in this category.
1	give it to me re	Ad	Ban	b	×	"give it to me rough" is a forbidden term in this category.
1	golden showe	Ad	Ban	b	×	"golden showers" is a forbidden term in this category.
1	goldenshower	Ad	Ban	b	×	"goldenshowers" is a forbidden term in this category.
1	gr\$\$k	Ad	Ban	b	×	"Gr\$\$k" is a forbidden word in this category.
1	gr33k	Ad	Ban	b	x	"Gr33k" is a forbidden code word in this category and do-
1	gr3ak	Ad	Ban	b	x	"gr3ak" is a forbidden term in this category.
1	gr88k	Ad	Ban	b	x	"gr88k" is a forbidden term in this category.
1	gre#ce	Ad	Ban	b	x	"gre#ce" is a forbidden term in this category.
1	gre3k	Ad	Ban	Ь	x	"gre3k" is a forbidden term in this category.
1	gre8k	Ad	Ban	Ь	x	"gre8k" is a forbidden term in this category.
1	greece	Ad	Ban	b	x	"greece" is a forbidden term in this category.
1	greeeek	Ad	Ban	b	x	"greeeek" is a forbidden term in this category.
1	Greeek	Ad	Ban	ь	×	"greeek" is a forbidden term in this category.
1	greek	Ad	Ban	b	x	"greek" is a forbidden word in this category.
1	grk	Ad	Ban	b	×	"grk" is a forbidden term in this category.
1	h0les	Ad	Ban	b	x	"h0les" is a forbidden term in this category.
1	hand job	Ad	Ban	b	×	"hand job" is a forbidden term in this category.
1	handjob	Ad	Ban	b	×	"handjob" is a forbidden term in this category.
	happy ending		Ban	b	×	"happy ending" is a forbidden term in this category.
1	SLIDE YOU II	Ad	Ban	b	x	"HOT WET SLIT" is forbidden phrase in this category an

Page 2

					Sheetl	
1	let me sit on i	f Ad	Ban	b	×	"let me sit on it" is a forbidden phrase in this category.
1	lets bone	Ad	Ban	b	×	"lets bone" is a forbidden term in this category.
1	make love	Ad	Ban	b	x	"make love" is a forbidden term in this category.
1	Oral	Ad	Ban	b	×	"oral" is a banned word in this category.
1	Oral	Ad	Ban	b	×	"Oral" is a forbidden word in this category.
1	orally	Ad	Ban	b	×	"orally" is a forbidden word in this category.
1	orgasm	Ad	Ban	b	×	"Orgasm" is a forbidden word in this category.
1	orli	Ad	Ban	b	×	"orll" is a banned term in this category.
1	pegging	Ad	Ban	b	×	"pegging" is a forbidden term in this category.
1	porn star expe	Ad	Ban	b	×	"porn star experience" is a forbidden term in this categor
1	pstar	Ad	Ban	b	×	"pstar" is a forbidden term in this category.
1	p.u.s.s.y	Ad	Ban	b	×	"Pussy" is a forbidden word in this category.
1	pu\$\$y	Ad	Ban	b	×	"Pussy" is a forbidden word in this category.
1	pussy	Ad	Strip Term Fro	b	x	"pussy" is a forbidden word in this category.
1	put it in my kit	Ad	Ban	b	x	"put it in my kitty" is a forbidden phrase in this category.
1	rape	Ad	Ban	b	×	"rape" is a forbidden term in this category.
1	ride me	Ad	Ban	b	x	"ride me" is a forbidden phrase in this category.
1	ride your pony	Ad	Ban	b	×	"ride your pony" is a forbidden phrase in this category.
1	school girl	Ad	Ban	b	×	"school girl" is a forbidden term in this category.
1	schoolgirl	Ad	Ban	b	×	"schoolgirl" is a forbidden term in this category.
1	soak my kitty	Ad	Ban	b	x	"soak my kitty" is a forbidden term in this category.
1	squirt	Ad	Ban	b	x	"Squirt" is a forbidden word and does not comply with ou
1	stick it in my	Ad	Ban	b	×	"stick it in my mouth" is a forbidden phrase in this catego
1	suckie	Ad	Ban	b	x	"Suckie" is a forbidden word in this category.
1	super head	Ad	Ban	b	×	"super head" is a forbidden term in this category.
1	tongue massa	Ad	Ban	b	×	"tongue massage" is a forbidden term in this category.
1	touch my kitty	Ad	Ban	b	×	"touch my kitty" is a forbidden phrase in this category.
1	transexual ex	Ad	Ban	b	×	"Transexual experience" is a banned term in this categor
1	trip to the isla	Ad	Ban	b	×	"Trip to the islands" is a banned phrase in this category.
1	uncovered se	Ad	Ban	b	x	"Uncovered services" is a banned term in this category.
1	xxxstar	Adi	Ban	b	x	"Xxxstar" is a banned term in this category.
1	Yung	Ad	Ban	b	x	"Yung" is a banned word in this category.
1	fisting	Ad	Ban	b	x	fisting is a forbidden term in this category.
1	full release	Ad	Ban	b	×	full release is a forbidden term in this category.
1	full service	Ad	Ban	b	×	full service is a forbidden term in this category.
1	fvck	Ad	Ban	b	×	fvck is a forbidden term in this category.
1	gr.gp	Ad	Ban	b	x	Sorry, there's a problem with your post., Please email the

Page 3

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C.	

				Sheetl	
1	u.bb Ad	Ban	b	x	Sorry, there's a problem with your post, Please email the
1	Erotic Full BodAd	Ban	b	×	Sorry, there's a problem with your post. Please email the
1	erotic massag Ad	Ban	b	×	Sorry, there's a problem with your post. Please email the
1	sensual mass Ad	Ban	b	×	Sorry, there's a problem with your post. Please email the
1	thegirlnextdog Ad	Ban	b	×	Sorry, too many complaints about your ads tricking users
1	3B-& 1J Ad	Strip Term Fro	b		The term "bbbj" is not permitted in this category. It is a v
1	b.b.b.j. Ad	Strip Term Fro	b		The term "bbbj" is not permitted in this category. It is a v
1	(P) U \$ \$ (Y) Ad	Strip Term Fro	b		•
1	3 doors open Ad	Strip Term Fro	b	×	
1	3-somes Ad	Strip Term Fro	b		
1	3some Ad	Strip Term Fro	b	×	
1	3sum Ad	Strip Term Fro	b	×	
1	a good raping Replies	Ban	b	×	
1	a\$\$ Ad	Strip Term Fro	b		
1	a2m Ad	Strip Term Fro	b	×	
1	All 3 doors Ad	Strip Term Fro	b	×	
1	All 3 holes Ad	Strip Term Fro	b	×	
1	all access Ad	Strip Term Fro	b	x	
1	all acess Ad	Strip Term Fro	b	×	
1	All Axxess Ad	Strip Term Fro	b	×	
1	all doors open Ad	Strip Term Fro	b	x	
1	all inclusive Ad	Strip Term Fro	b	×	
1	all options ava Ad	Strip Term Fro	b	x	
1	all three doors Ad	Strip Term Fro	ь	x	
1	all three holes Ad	Strip Term Fro	b	x	
1	almost no limi Ad	Strip Term Fro	b	×	
1	anal Ad	Strip Term Fro	b	×	
1	Anal Peripher Ad	Strip Term Fro	b	×	
1	AnalPeriphera Ad	Strip Term Fro	b	×	
1	Anything Goe Ad	Strip Term Fro	b	×	
1	atogm Ad	Ban	b	x	
1	b shower Ad	Strip Term Fro	b	x	
1	B.a.C.k.Y.a.R Ad	Strip Term Fro	b		
1	b.all torture Ad	Strip Term Fro	b	x	
1	b.b.b.j Ad	Strip Term Fro	ь		
1	b@ckdoor Ad	Strip Term Fro	b	×	
1	back alley Ad	Strip Term Fro	b	×	
				Dogg 4	

					Sheetl
1	backstage	Ad	Strip Term Fro	b	x
1	backstage pa		Strip Term Fro	b	X
1	BALL BUSTIN		Strip Term Fro	b	x
1	ball torture	Ad	Strip Term Fro	b	х
1	bang	Ad	Strip Term Fro	b	X
1	bbfs	Ad	Strip Term Fro	b	X
1	bbi	Ad	Strip Term Fro	b	X
1	bfe	Ad	Strip Term Fro	b	X
1	blo n go	Ad	Strip Term Fro	b	
1	blow	Ad	Strip Term Fro	b	X
1	blow n go	Ad	Strip Term Fro	b	х
1	blow pop	Ad	Strip Term Fro	ь	Х
1	blowing	Ad	Strip Term Fro	Ь	X
1	blowpop	Ad	Strip Term Fro	b	X
1	blows	Ad	Strip Term Fro	b	х
1	bng	Ad	Strip Term Fro	b	X
1	bnj	Ad	Strip Term Fro	b	x
1	BreaK Me In	Ad	Strip Term Fro	b	X
1	Brwn Showers	Ad	Strip Term Fro	b	X
1	cum	Ad	Strip Term Fro	b	
1	c.b.t.	Ad	Strip Term Fro	b	
1	car date	Ad	Strip Term Fro	b	X
1	CBT	Ad	Strip Term Fro	b	х
1	CBT/NT	Ad	Strip Term Fro	b	Х
1	cck hungry	Ad	Strip Term Fro	b	Х
1	cds	Ad	Strip Term Fro	b	
1	cfs	Ad	Strip Term Fro	b	
1	cm	Ad	Strip Term Fro	ь	
1	cock and ball	Ad	Strip Term Fro	b	x
1	come get son		Strip Term Fro	ь	х
1	COME OVER		Strip Term Fro	b	X
1	come paint m		Strip Term Fro	þ	x
1	Completion	Ad	Strip Term Fro	þ	X
1	covered conv		Strip Term Fro	ь	X
1	covered conv		Strip Term Fro	ь	X
1	cream all ove		Strip Term Fro	b	x
1	creampie	Ad	Strip Term Fro	b	x
					D . C

					Sheet1
1	cum kisss m	Replies, Ad	Flag as Spam	b	x
1		Ad	Strip Term Fro	b	×
1		Ad	Strip Term Fro	b	x
1		Ad	Strip Term Fro	b	×
1		Ad	Strip Term Fro	b	
1		Ad	Strip Term Fro	b	
1		Ad	Strip Term Fro	ь	×
1	dato /	Ad	Strip Term Frc	ь	x
1	deep kisser /	Ad	Strip Term Fro	b	x
1		Ad	Strip Term Fro	b	×
1	dildo #	Ad	Strip Term Fro	b	×
1	dome /	Ad	Strip Term Fro	b	×
1	doubles /	Ad	Strip Term Fro	b	×
1	drippy kitty /	Ad	Strip Term Fro	b	×
1		Ad	Strip Term Fro	ь	x
1	F/S /	Ad	Strip Term Fro	b	
1	facial A	Ad	Strip Term Fro	b	×
1	FCK ME	Ad	Strip Term Fro	b	×
1	felatio A	Ad	Ban	b	×
1	felching A	Ad	Strip Term Fro	ь	x
1	filatio A	Ad	Ban	b	x
1	fov A	Ad	Strip Term Fro	b	x
1	fresh meat A	∤d	Strip Term Fro	b	x
1	FS A	Ad	Strip Term Fro	b	
1	fu11 serv1ce A	Ad	Strip Term Fro	b	x
1	fuk A	Ad	Strip Term Fro	b	x
1	ful/serv A	Ad	Strip Term Fro	b	x
1	full course A	∖d	Strip Term Fro	ь	x
1	full course me A	Ad b	Strip Term Frc	b	x
1	full menu A	\d	Strip Term Fro	ъ	x
1	Full Services A	Ad b	Strip Term Fro	b	x
1	Full Treatmen A	∖d	Strip Term Frc	b	x
1		Ad b	Strip Term Fro	b	×
1	FULLLSERVI A		Strip Term Fro	b	x
1	Fully Satisfyin A		Strip Term Fro	b	×
1	G & B shower		Strip Term Fro	b	×
1	g shower A	Ad	Strip Term Fro	b	×

					Sheet1
1	G-f-e	Ad	Strip Term Fro	b	
1	G-spot massa	1 "	Strip Term Fro	b	×
1	G.F.3.	Ad	Strip Term Fro	ь	
1	G.F.E	Ad	Strip Term Fro	b	
1	G.R.E.8.K	Ad	Strip Term Fro	b	
1	g.showers	Ad	Strip Term Fro	ь	×
1	G/F/E	Ad	Strip Term Fro	b	
1	GEEFFEE	Ad	Strip Term Fro	b	×
1	get into the pi	Ad	Strip Term Fro	b	×
1	get your hard	Ad	Strip Term Fro	b	×
1	get your load	Ad	Strip Term Fro	b	×
1	getting down	Ad	Strip Term Fro	b	×
1	GF E	Ad	Strip Term Fro	b	
1	girl friendly	Ad	Strip Term Fro	b	×
1	Girl-friend exp	Ad	Strip Term Fro	b	×
1	girlfriend expe	Ad	Strip Term Fro	ь	x
1	girlfriend plea		Strip Term Fro	b	×
1	girlfriend SPE	Ad	Strip Term Fro	b	×
1	girlfriendly	Ad	Strip Term Fro	ь	×
1	gloryhole	Ad	Strip Term Fro	b	×
1	go deep	Ad	Strip Term Fro	b	×
1	go in hard	Ad	Strip Term Fro	b	×
1	golden showe		Strip Term Fro	b	×
1	Golden Show		Strip Term Fro	b	x
1	goldenshower		Strip Term Fro	ь	×
1	Goldn Showe		Strip Term Fro	ь	×
1	gr-eek	Ad	Strip Term Fro	b	×
1	gs	Ad	Strip Term Fro	b	
1	h-j	Ad	Strip Term Fro	b	
1	hand release		Strip Term Fro	b	x
1	handrelease	Ad	Strip Term Fro	ь	x
1	happy session		Strip Term Fro	ь	×
1	hj	Ad	Strip Term Fro	b	
1	human traffici		Ban	ь	×
1	I do everythin		Strip Term Fro	ь	×
1	I do it all	Ad	Strip Term Fro	b	
1	I don't say no	]Ad	Strip Term Fro	Ь	X

					Sheet1
1	I enjoy being o	Ad	Strip Term Fro	b	x
1	I need your ha		Strip Term Fro	b	×
1	I never say no		Strip Term Fro	Ь	×
1	I only want ca		Ban	b	×
1	I want your cre		Strip Term Fro	Ь	×
1	I wasn't done	Ad	Strip Term Fro	Ь	×
1	I will do all tho	Ad	Strip Term Fro	ь	x
1	I'll do things si	Ad	Strip Term Fro	b	x
1	innocent	Ad	Strip Term Fro	b	x
1	k9	Ad	Flag as Spam	b	
1	LBFM	Ad	Ban	b	×
1	letmedrainurn	Ad	Strip Term Fro	ь	x
1	lips only	Ad	Strip Term Fro	b	x
1	little girl	Ad	Strip Term Fro	b	x
1	lolita	Ad	Strip Term Fro	b	x
1	lolli	Ad	Strip Term Fro	b	×
1	lollita	Ad	Strip Term Fro	b	×
1	MSOG	Ad	Strip Term Fro	b	×
1	multí pops	Ad	Strip Term Fro	Ь	×
1	multiple finish		Strip Term Frc	Ь	×
1	multipops	Ad	Strip Term Fro	Ь	×
1	n0 hol3s barre		Strip Term Fro	ь	×
1	no giove no lo		Strip Term Fro	Ь	×
1	Nookie	Ad	Strip Term Fro	ь	×
1	nqbs	Ad	Strip Term Fro	b	×
1	ngns	Ad	Strip Term Fro	ь	×
1	P.S.E	Ad	Strip Term Fro	Ь	
1	pregnant	Ad	Strip Term Fro	b	
1	pu\$\$i	Ad	Strip Term Fro	b	
1	rbgfe	Ad	Strip Term Fro	b	×
1	reverse oral	Ad	Strip Term Fro	b	×
1	ride this pony	Ad	Strip Term Fro	þ	×
1	SurveyHe	Ad	Ban	Ь	x
1	scat	Ad	Strip Term Fro	b	x
1	sex tours	Ad	Ban	b	×
1	sextours	Ad	Ban	b	×
1	superdome	Ad	Strip Term Fro	b	×
		•			D 0

					Sheet1
1	threesome	Ad	Strip Term Fro	b	x
1	wbi	Ad	Strip Term Fro	b	x
1	wrapper on ca	Ad	Strip Term Fro	b	X
1	I'm a hot Asia		Flag as Spam	n/a	
1	p411	Ad	Strip Term Fro	n/a	
1	SLOWWETR	Ad	Ban	n/a	
1	southernshow	Ad	Ban	n/a	
1	spitnotswallow	Ad	Strip Term Fro	n/a	
1	splatdogs	Ad	Ban	n/a	
1	stressreliefbyr	Ad	Flag as Spam	n/a	
1	swollen blood		Ban .	n/a	
1	\$nowbunny	Ad	Strip Term Fro	г	х
1	\$quirt	Ad	Strip Term Fro	r	x
1	1/2 hour	Ad	Strip Term Fro	r	x
1	1/2 hr	Ad	Strip Term Fro	r	
1	1/2 hrs	Aď	Strip Term Fro	r	
1	15 min	Ad	Strip Term Fro	r	x
1	15 mins	Ad	Strip Term Fro	r	x
1	15 minute	Ad	Strip Term Fro	r	х
1	15 minutes	Ad	Strip Term Fro	r	X
1	15/mins	Ad	Strip Term Fro	r	x
1	15min	Ad	Strip Term Fro	r	x
1	15mins	Ad	Strip Term Fro	r	х
1	15minute	Ad	Strip Term Fro	r	x
1	15minutes	Ad	Strip Term Fro	r	x
1	30 min	Ad	Strip Term Fro	r	X
1	30 mins	Ad	Strip Term Fro	r	X
1	30 minute	Ad	Strip Term Fro	r	x
1	30 minutes	Ad	Strip Term Fro	r	x
1	30/mins	Ad	Strip Term Fro	r	x
1	40min	Ad	Strip Term Fro	r	X
1	45 min	Ad	Strip Term Fro	r	x
1	45 mins	Ad	Strip Term Fro	г	х
1	a-level	Ad	Strip Term Fro	r	X
1	always leave I		Strip Term Fro	r	×
1	bpgfe	Ad	Strip Term Fro	r	×
1	cat bath	Ad	Strip Term Fro	r	×
					Daga 0

					Sheet1
1	clean your pip	Ad	Strip Term Fro	r	×
1	covered	Ad	Strip Term Fro	r	
1	creamy	Ad	Strip Term Fro	r	×
1	h alfhr	Ad	Strip Term Fro	ſ	×
1	h/hr	Ad	Strip Term Fro	r	
1	half	Ad	Strip Term Fro	r	
1	half hour	Ad	Strip Term Fro	r	×
1	Half/hr	Ad	Strip Term Fro	r	
1	hh	Ad	Strip Term Fro	г	
1	hhr	Ad	Strip Term Fro	ı	×
1	hlf/hr	Ad	Strip Term Fro	г	X
1	I just love to e	Ad	Strip Term Fro	ι	×
1	Q.Q.	Ad	Strip Term Fro	г	
1	welcum	Ad	Strip Term Fro	r	×
1	wink	Ad	Strip Term Fro	r	×
1	kumm	Ad	Ban	s	×
1	teenage	Ad	Strip Term Fro	s	×
1	t33n	Ad	Strip Term Fro	s	×
1	teen	Ad	Strip Term Fro	s	×
1	teens	Ad	Strip Term Fro	s	x
1	TheEroticReg	Ad	Strip Term Fro	S	x
1	Full Body Mas	Replies, Ad	Ban	S	×
1	{x}{x}{x}	Ad	Strip Term Fro	s	x
1	\$\$\$j	Ad	Strip Term From	s	×
1	\$\$j	Ad	Strip Term Fro	s	×
1	\$j	Ad	Strip Term Fro	s	x
1	\$trap on	Ad	Strip Term Fro	S	×
1	amber alert	Ad	Strip Term Fro	S	x
1	anything goes	Ad	Strip Term Fro	S	×
1	ass	Ad	Strip Term Fro	s	x
1	bang for your	Ad	Strip Term Fro	s	×
1	bare	Ad	Strip Term Fro	s	x
1	Becky	Ad	Strip Term Fro	s	×
1	candy stick	Ad	Strip Term Fro	s	×
1	cant eat just o	Ad	Strip Term Fro	s	X
1	catheter	Ad	Strip Term Fro	s	x
1	cheerleader	Ad	Strip Term Fro	S	×

"kumm" is a forbidden term in this category.
"teenage" is a forbidden term in this category.
Sorry, "teen" is a banned term. We do not permit ads pro
Sorry, "teen" is a banned term. We do not permit ads pro
Sorry, "teens" is banned term. We do not permit ads pro
Sorry, there's a problem with your post. Please email the
Sorry, there's a problem with your post. Please email the

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App.000811

					Sheet1
1	daddy	Ad	Strip Term Fro	S	х
1	daddy's	Ad	Strip Term Fro	S	x
1	Deep convers	Ad	Strip Term Fro	s	x
1	dfk	Ad	Strip Term Fro	S	x
1	drippin	Ad	Strip Term Fro	S	×
1	dripping	Ad	Strip Term Fro	S	x
1	dryhump	Ad	Strip Term Fro	S	X
1	enema	Ad	Strip Term Fro	S	х
1	enemas	Ad	Strip Term Fro	S	x
1 .	erotic adult va	Ad	Strip Term Fro	s	X
1	erotic rendezy	Ad	Strip Term Fro	S	X
1	explode	Ad	Strip Term Fro	S	X
1	express sessi	Ad	Strip Term Fro	S	x
1	face sitting	Ad	Strip Term Fro	S	x
1	Facesitting	Ad	Strip Term Frc	S	x
1	fbsm	Ad	Strip Term Fro	S	X
1	fob	Ad	Strip Term Fro	S	X
1	FOTC	Ad	Strip Term Fro	S	X
1	fresh	Ad	Strip Term Fro	S	X
1	Full Body Sen		Strip Term Fro	S	X
1	full weight fac	Ad	Strip Term Fro	S	X
1	get me juicy	Ad	Strip Term Fro	s	X
1	get your ego s		Strip Term Fro	S	X
1	Got Milk	Ad	Strip Term Fro	S	X
1	great kisser	Ad	Strip Term Fro	S	X
1	h@@d	Ad	Strip Term Fro	S	X
1	h0rny	Ad	Strip Term Fro	s	X
1	half and half	Ad	Strip Term Fro	S	X
1	hands only	Ad	Strip Term Fro	S	X
1	have~~~it~~~	Ad	Strip Term Fro	S	X
1	head	Ad	Strip Term Fro	S	X
1	head doctor	Ad	Strip Term Fro	S	X
1	head nurse	Ad	Strip Term Fro	s	x
1	herpes	Ad	Strip Term Fro	s	x
1	hole	Ad	Strip Term Fro	S	Х
1	holes	Ad	Strip Term Fro	S	X
1	horney	Ad	Strip Term Fre	S	X

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					Shcet1
1	horny	7Ad	Strip Term Fro	s	×
1	hot n ready	Ad	Strip Term Fro	s	×
1	hotgirlzxxx	Ad	Strip Term Fro	s	×
1	hummers	1 _{Ad}	Strip Term Fro	s	×
1	hung and rea	dAd	Strip Term Fro	s	x
1	hung men on	Ad	Strip Term Fro	s	x
1	I always say		Strip Term Fro	s	×
1	I am bow leg	Ad	Strip Term Fro	S	x
1	I do what she	Ad	Strip Term Fre	S	x
1	I don't meet a	Ad	Strip Term Fro	s	x
1	I have LOTS	₫Ad	Strip Term Fro	s	x
1	I love to make	Ad	Strip Term Frc	S	×
1	I'll do what sh	Ad	Strip Term Fre	S	x
1	I'll get it juicy	]Ad	Strip Term Fro	s	×
1	I'm a bottom	Ad	Strip Term Fro	S	x
1	I'm a top	]Ad	Strip Term Fro	s	x
1	I'm a top you'		Strip Term Fro	s	x
1	k!tty	Ad	Strip Term Fro	S	x
1	kitti	Ad	Strip Term Fro	S	×
1	kitty	Ad	Strip Term Fro	s	×
1	kum	Ad	Strip Term Fro	S	x
1	kumed	Ad	Strip Term Fro	S	x
1	lactate	]Ad	Strip Term Fro	S	x
1	lactating	Ad	Strip Term Fro	S	x
1	lady pipe	Ad	Strip Term Fro	S	x
1	lingam	Ad	Strip Term Fro	S	×
1	lip service	Ad	Strip Term Fro	s	×
1	Love Stick	Ad	Strip Term Fro	S	×
1	make me mo		Strip Term Fro	S	×
1	make you mo		Strip Term Fro	s	x
1	Meat Stick	Ad	Strip Term Fro	s	x
1	Melking	Ad	Strip Term Fro	s	×
1	melt in mouth		Strip Term Fro	s	×
1	melt in your n		Strip Term Fro	S	×
1	Milking	Ad	Strip Term Fro	S	×
1	milk	Ad	Strip Term Fro	S	X
1	milking	]Ad	Strip Term Fro	S	×

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					Sheetl
1	milky	lAd	Strip Term Fro	s	х
1	mind blowing	Ad	Strip Term Fro	s	х
1	moist	Ad	Strip Term Fro	s	х
1	multiples	Ad	Strip Term Fro	s	х
1	my lips and fir	Ad	Strip Term Fro	s	x
1	nasty sanchez	Ad	Strip Term Fro	s	x
1	natural conver	Ad	Strip Term Fro	s	X
1	natural convo	Ad	Strip Term Fro	s	x
1	naughty	Ad	Strip Term Fro	s	X
1	naughtyreview	Ad	Strip Term Fro	s	x
1	nigger	Ad	Strip Term Fro	s	×
1	nimf	Ad	Strip Term Frc	s	x
1	nimfo	Ad	Strip Term Fro	S	x
1	No limitations	Ad	Strip Term Fro	s	X
1	no limits	Ad	Strip Term Fro	S	x
1	not n' ready	Ad	Strip Term Fro	s	X
1	nutcracking	Ad	Strip Term Fro	s	x
1	Nymph	Ad	Strip Term Fro	S	x
1	Nymph0	Ad	Strip Term Fro	s	X
1	Nymphette	Ad	Strip Term Fro	s	x
1	nympho	Ad	Strip Term Fro	s	Х
1	on my lips	Ad	Strip Term Fro	s	X
1	on TER!	Ad	Strip Term Fro	s	x
1	onload	Ad	Strip Term Fre	s	X
1	ORAL EXAM		Strip Term Fro	s	Х
1	ORAL EXPER		Strip Term Fro	s	X
1	Oral Fixation	Ad	Strip Term Fro	s	Х
1	owo	Ad	Strip Term Fro	s	X
1	P-ON PLAY	Ad	Strip Term Fro	s	х
1	p0rn	Ad	Strip Term Fro	s	X
1	panties are of	Ad	Strip Term Fro	s	X
1	penetrating	Ad	Strip Term Fro	s	X
1	porn	Ad	Strip Term Frc	s	х
1	pounding	Ad	Strip Term Fro	s	X
1	put a sponge	Ad	Strip Term Fro	s	X
1	qfe	Ad	Strip Term Fro	s	X
1	qk	Ad	Strip Term Fro	s	×

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					Sheetl
1	qky	Ad	Strip Term Fro	s	x
1	qq	Ad	Strip Term Fra	S	X
1	qs	Ad	Strip Term Fro	S	x
1	quickee	Ad	Strip Term Fro	s	X
1	quickie	Ad	Strip Term Fro	s	х
1	quicktime	Ad	Strip Term Fro	s	х
1	quicky	Ad	Strip Term Fro	s	X
1	quikee	Ad	Strip Term Fro	s	х
1	qv	Ad	Strip Term Fro	S	х
1	Ready 2 get w	Ad	Strip Term Fro	s	x
1	ready to bust		Strip Term Fro	S	X
1	release	Ad	Strip Term Fro	s	X
1	release tensio	Ad	Strip Term Fro	s	X
1	release your to	Ad	Strip Term Fro	s	X
1	rider	Ad	Strip Term Fro	S	х
1	riding wood	Ad	Strip Term Fro	S	х
1	Rim ShoT	Ad	Strip Term Fro	s	х
1	rimming	Ad	Strip Term Fro	s	х
1	roman shower	Ad	Strip Term Fro	s	х
1	RS2K	Ad	Strip Term Fro	s	x
1	russian massa	Ad	Strip Term Fro	s	X
1	spinner	Ad	Strip Term Fro	s	X
1	S.L.U.T.T.Y	Ad	Strip Term Frc	S	x
1	sacred spot	Ad	Strip Term Fro	S	X
1	satisfy you wit	Ad	Strip Term Fro	S	X
1	satisfy your ne	Ad	Strip Term Fro	S	Х
1	scrotal infusio	Ad	Strip Term Fro	S	X
1	scrotal infusio	Ad	Strip Term Frc	S	X
1	sensual satisf	Ad	Strip Term Fro	S	X
1	sex	Ad	Strip Term Fro	S	X
1	sexygfes	Ad	Strip Term Fro	S	Х
1	shemale expe	Ad	Strip Term Fro	S	X
1	shiftmaster	Ad	Strip Term Fro	S	X
1	shoot all your	Ad	Strip Term Fro	s	X
1	short session		Strip Term Fro	S	×
1	shower shows	Ad	Strip Term Fro	S	X
1	skwirt	Ad	Strip Term Fr	s	x

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					Sheet1
1	sighcswap	Ad	Strip Term Fro	s	х
1	slip n slide	Ad	Strip Term Fro	s	x
1	slow strokes	Ad	Strip Term Fro	s	x
1	slurp	Ad	Strip Term Fro	s	X
1	slurp slurp	Ad	Strip Term Fro	s	X
1	slurpy	Ad	Strip Term Fro	s	x
1	slut! Ill have u	Ad	Strip Term Fro	s	x
1	snowball	Ad	Strip Term Fro	s	x
1	soakd	Ad	Strip Term Fro	s	X
1	soaked	Ad	Strip Term Fro	s	X
1	soaking	Ad	Strip Term Fro	s	X
1	sot	Ad	Strip Term Fro	s	х
1	spiner	Ad	Strip Term Fro	s	х
1	spinner	Ad	Strip Term Fro	s	X
1	splash on buz	Ad	Strip Term Fro	s	X
1	squ!rt	Ad	Strip Term Fro	s	х
1	squirter	Ad	Strip Term Fro	s	X
1	squirting	Ad	Strip Term Fro	s	×
1	Squirts	Ad	Strip Term Fro	s	X
1	squrrrt	Ad	Strip Term Fro	S	X
1	squrt	Ad	Strip Term Fro	S	X
1	str^p on pl^y	Ad	Strip Term Fro	s	X
1	strap action	Ad	Strip Term Fro	s	X
1	strap on	Ad	Strip Term Fro	s	X
1	strap on play	Ad	Strip Term Fro	s	X
1	Strap-on	Ad	Strip Term Fro	s	X
1	Strap-on Train	Ad	Strip Term Fro	s	X
1	Strapon	Ad	Strip Term Fro	s	X
1	stroke you	Ad	Strip Term Fro	s	Х
1	stuff me like a	Ad	Strip Term Fro	s	Х
1	Suck	Ad	Strip Term Fro	s	X
1	suckable	Ad	Strip Term Fro	s	Х
1	suction	Ad	Strip Term Fro	s	Х
1	super soaker		Strip Term Fro	s	Х
1	swallow	Ad	Strip Term Fro	s	х
1	swallows	Ad	Strip Term Fro	S	Х
1	teen	Ad	Strip Term Fro	s	Х

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					Sheet1
1	T-E-R	]Ad	Strip Term Fro	s	x
1	T.E.R	Ad	Strip Term Fro	s	×
1	T.E.R.	Ad	Strip Term Fro	s	×
1	take a l-o-a-d	Ad	Strip Term Fro	s	×
1	take a load of	Ad	Strip Term Fro	s	×
1	take it all	Ad	Strip Term Fro	s	×
1	take your load	Ad	Strip Term Fro	s	×
1	TER	Ad	Strip Term Fro	s	×
1	the erotic revi	Ad	Strip Term Fro	s	×
1	TheEroticRev	Ad	Strip Term Fro	s	×
1	thick end for y	Ad	Strip Term Fro	s	×
1	tight	Ad	Strip Term Fro	S	×
1	tite	]Ad	Strip Term Fro	s	x
1	tnt explosive	]Ad	Strip Term Fro	s	x
1	toftt	]Ad	Strip Term Fro	s	×
1	Top of your to	Ad	Strip Term Fro	s	×
1	top/bottom	]Ad	Strip Term Fro	s	x
1	touch and exp		Strip Term Fro	s	×
1	toys and jerks	Ad	Strip Term Fro	s	×
1	triple x	Ad	Strip Term Fre	s	×
1	tuma	Ad	Strip Term Fro	s	х
1	un covered	Ad	Strip Term Fro	s	×
1	uncovered	Ad	Strip Term Fro	S	×
1	until you're re		Strip Term Fro	S	×
1	untranslated f	Ad	Strip Term Fro	S	×
1	vv3t	Ad	Strip Term Fro	S	×
1	W 3 t	Ad	Strip Term Fro	s	×
1	w3+t	Ad	Strip Term Fro	s	×
1	w3t_	Ad	Strip Term Fro	s	×
1	w3t!	]Ad	Strip Term Fro	s	×
1	w3tt	Ad	Strip Term Fro	s	×
1	water sports	Ad	Strip Term Fro	s	x
1	watersports	Ad	Strip Term Fro	s	×
1	wet	Ad	Strip Term Fro	s	x
1	wett	Ad	Strip Term Fro	s	×
1	wetter	Ad	Strip Term Fro	s	×
1	what she won	Ad	Strip Term Fro	s	×

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				Sneeti
willing to pleas	Ad	Strip Term Fro	s	x
with a very cu	Ad	Strip Term Fro	s	x
with all the be	Ad	Strip Term Fro	S	×
with benefits	Ad	Strip Term Fro	S	×
x plode	Ad	Strip Term Fro	S	×
xxx	Ad	Strip Term Fro	S	x
x x x star serv	Ad	Strip Term Fro	S	X
x/x/x/	Ad	Strip Term Fro	s	x
xxx	Ad	Strip Term Fro	s	X
xxxplosive	Ad	Strip Term Fro	S	X
You P@Y 2 P	Ad	Strip Term Fro	S	X
You PAY 2 PL	Ad	Strip Term Fro	S	X
young	Ad	Strip Term Fro	S	X
youthful	Ad	Strip Term Fro	S	x
	with a very cu with all the be with benefits x plode x x x x x x star serv x/x/x/ xxxx xxxplosive You P@Y 2 P You PAY 2 PL young	x plode Ad Ad X x x x Ad Ad Xx x star serv Ad Xxxx Ad Ad Xxxx Ad Xxxplosive Ad You P@Y 2 Pl Ad You PAY 2 Pl Ad Young Ad	with a very cul Ad Strip Term Frc With all the bel Ad Strip Term Frc With benefits Ad Strip Term Frc X x plode Ad Strip Term Frc X x x X Ad Strip Term Frc X x x x star serv Ad Strip Term Frc X x x x star serv Ad Strip Term Frc X x x x Strip Term Frc X x x x Ad Strip Term Frc X x x x Ad Strip Term Frc X x x x plosive Ad Strip Term Frc X x x x plosive Ad Strip Term Frc X y x x x x x x x x x x x x x x x x x x	with a very cu with all the be   Ad   Strip Term Frc   s   with benefits   Ad   Strip Term Frc   s   x plode   Ad   Strip Term Frc   s   x x plode   Ad   Strip Term Frc   s   x x x x   Ad   Strip Term Frc   s   x x x x star serv   Ad   Strip Term Frc   s   xx/x/x/   Ad   Strip Term Frc   s   xxxx   Ad   Strip Term Frc   s   xxxplosive   Ad   Strip Term Frc   s   You P@Y 2 P   Ad   Strip Term Frc   s   young   Ad   Strip Term Frc   s   young   Ad   Strip Term Frc   s

				Sheet1
				2
2010-12-10	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch		FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	aduit	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-08-25	2012-01-11	dispatch	adult	Live
2010-08-25	2012-01-11	dispatch	adult	Live
2010-04-29	2012-01-11	dispatch	adult	Live
2010-12-07	2012-01-11	dispatch	adult	Live
2010-08-31	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-05-19	2012-01-11	dispatch	adult	Live
2011-03-30	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Líve
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2011-09-01	2012-01-11	dispatch	adult	Live
2009-12-15	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-09-02	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2011-09-01	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-10-16	2012-01-11	dispatch	adult	Live
2010-07-14	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live

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				Sheet1
2010-09-01	2012-01-11	dispatch		FemaleEscort Live
2010-09-02	2012-01-11	dispatch		FemaleEscort Live
2010-08-02	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch	adult adult	Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-11-19	2012-01-11	dispatch	adult	Live
2010-08-02	2012-01-11	dispatch	adult	Live
2010-10-07	2012-01-11	dispatch	addit	FemaleEscort Live
2011-04-21	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	dadii	FemaleEscort Live
2009-07-28	2012-01-11	dispatch	adult auton	notive, buyselltra: Live
2009-07-28	2012-01-11	dispatch	244,444	FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-10-18	2012-01-11	dispatch		FemaleEscort Live
2010-10-18	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-06	2012-01-11	dispatch		FemaleEscort Live
2010-11-06	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-06-10	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-02	2012-01-11	dispatch	adult	Live
2011-09-02	2012-01-11	dispatch	adult	Live
2009-09-14	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-09-03	2012-01-11	dispatch	adult	Live
2011-02-23	2012-01-11	dispatch	adult	Live
2011-02-23	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		FemaleEscort Live

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				Sheet1
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	Femalel	Escort Live
2009-07-28	2012-01-11	dispatch	Femalel	Scort Live
2010-12-10	2012-01-11	dispatch	adult	Live
2010-10-05	2012-01-11	dispatch	Femalel	Escort Live
2010-10-05	2012-02-29	dm12	Femalel	Escort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-09	2012-01-11	dispatch		Escort Live
2010-10-18	2012-01-11	dispatch	Femalel	Escort Live
2011-01-05	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch	adult	Live
2010-09-01	2012-01-11	dispatch		Escort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-10-01	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch		Escort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-01-23	2012-01-11	dispatch	adult	Live
2011-02-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch		Escort Live
2009-07-28	2012-01-11	dispatch		Escort Live
2009-07-28	2012-01-11	dispatch		Escort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch		Escort Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch		Escort Live
2010-12-13	2012-01-11	dispatch		Escort Live
2010-11-15	2012-01-11	dispatch	adult, automotive, buys	
2010-09-09	2012-01-11	dispatch	adult	Live Live
2009-07-28	2012-01-11	dispatch	adult adult	Live Live
2010-12-13 2011-01-17	2012-01-11 2012-01-11	dispatch	adult, employment, mu	
2011-01-17	2012-01-13	dispatch	addit, employment, mt	isician Live

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2011-01-04	2012-01-11	dispatch	adult, employment, personal Live
2011-10-21	2012-01-11	dispatch	BizOpps, Busi Live
2011-10-21	2012-01-11	dispatch	BizOpps, Busi Live
2011-10-21	2012-01-11	dispatch	BizOpps, Busi Live
2009-09-30	2012-01-11	dispatch	adult, automotive, buyselltracLive
2010-05-07	2012-01-11	dispatch	adult Live
2010-05-04	2012-01-11	dispatch	adult, automotive, buyselltracLive
2010-12-10	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2009-07-28	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-11-04	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
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2011-04-21	2012-01-11	dispatch	adult Live
2011-04-12	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-11-04	2012-01-11	dispatch	FemaleEscort Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-09-15	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-05-04	2012-01-11	dispatch	adult, automotive, buyselltra: Live
2010-12-10	2012-01-11	dispatch	adult Live
2010-12-10	2012-01-11	dispatch	adult Live

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2010-12-10	2012-01-11	dispatch	adult	Live
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2010-11-16	2012-01-11	dispatch	adult	Live
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2010-10-16	2012-01-11	dispatch	Body	/Rubs, Dc Live
2010-11-04	2012-01-11	dispatch	adult	Live
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2010-12-14	2012-01-11	dispatch	adult, personals	Live
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2010-12-10	2012-01-11	dispatch	adult adult	Live
2010-12-10	2012-01-11	dispatch	adult adult	Live
2010-12-10	2012-01-11 2012-01-11	dispatch	adult, personals, s	
2010-11-15	2012-01-11	dispatch	adult, personals, si	ELAIDE2 FIAG

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2009-07-28	2012-01-11	dispatch	adult au	tomotive, buyselltrar Live
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2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
2010-12-13	2012-01-11	dispatch	adult Live
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2012-03-29	2012-03-29	andrew	adult, automotive, buyselltra: Live
2012-03-29	2012-03-29	andrew	adult, automotive, buyselltrar Live
2010-12-13	2012-01-11	dispatch	adult Live

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2010-12-13	2012-01-11	dispatch	adult	Live
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2010-12-13	2012-01-11	dispatch	adult	Live
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2010-12-10	2012-01-11	dispatch	adult	Live
2010-12-10	2012-01-11	dispatch	aduit	Live
2010-12-10	2012-01-11	dispatch	adult	Live
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2010-12-10	2012-03-08	andrew	adult	
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2010-09-23	2012-01-11	dispatch	adult, automotive, buys	elltra: Live
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2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Líve
2010-12-13	2012-01-11	dispatch		AdultJobs, Bo Live
2010-10-28	2012-01-11	dispatch		notive, buyselltracLive
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live

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				CI 41
				Sheetl
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult, realestate, rentals, ser	
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-17	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-15	2012-01-11	dispatch	adult, personals, services	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-02-17	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-11-19	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-11-18	2012-01-11	dispatch	adult, personals, services	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2009-07-28	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-12-05	2012-01-11	dispatch	adult, automotive, buyselltrad	Live

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				Sheetl
2011-02-18	2012-01-11	dispatch	adult, personals	Live
2011-02-18	2012-01-11	dispatch	adult, personals	Live
2011-02-18	2012-01-11	dispatch	adult, personals	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-01-07	2012-01-11	dispatch	adult, personals	Live
2011-01-07	2012-01-11	dispatch	adult	Live
2011-01-18	2012-01-11	dispatch	adult, automotive, buysel	ltra: Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-10-15	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2011-05-23	2012-01-11	dispatch	AdultJobs,	Bo Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-11-04	2012-01-11	dispatch	FemaleEs	
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live
2010-09-30	2012-01-11	dispatch	adult	Live
2010-10-14	2012-01-11	dispatch	adult	Live
2010-09-30	2012-01-11	dispatch	adult	Live
2010-12-13	2012-01-11	dispatch	adult	Live

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Sheet1

Live

BodyRubs, Dc Live

AdultJobs, Bo Live

adult, automotive, buyselltracLive

2010-12-13 2012-01-11 dispatch

2010-12-13 2012-01-11 dispatch 2010-12-13 2012-01-11 dispatch

2010-12-13 2012-01-11 dispatch

2010-11-17 2012-01-11 dispatch

2010-12-13 2012-01-11 dispatch

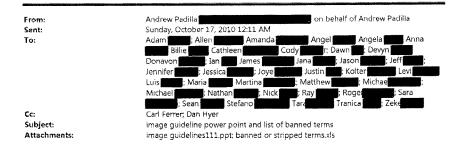
2011-05-20 2012-01-11 dispatch

2011-05-13 2012-01-11 dispatch

2010-09-30 2012-01-11 dispatch

2011-01-23 2012-01-11 dispatch

adult



Some of you already received this presentation by Gtalk but I'm attaching it for those of you that haven't.

For the slides that say Fail, you shouldn't actually use the Fail button in the queue. Whether in the queue or in manual review, images that fit the Fail criteria should be removed from eds.

For images described as Graphic Sex Acts, the entire ad should be removed.

This is only a guideline. Most of you already have a good idea of how to handle most images. If that's working for you, stick to it. You're not going to get in trouble for being too clean right now.

Images aside, it's the language in ads that's really killing us with the Attorneys General. Images are almost an afterthought to them.

I'm attaching a list of terms that are either banned or being stripped out automatically by filters. You should be looking for the misspellings that the filters and bans are missing.

Andrew Padilla Operations Manager Backpage.com Village Voice Media Sheetl

anal
backyard
bbbj
back door
bare back
blow
blow job
blow pop
bukkake
cum
cbj
cim
cock
cunt
daty
deep throat
doggie style
double penetration
fs
foreign languages
fuck
full service
full release
greek
holes
half and half
happy ending
head
horny
lingam
lolli
manual end
milking
msog
multi pops
oral
oral exam
oral exam
oral expert
oral fixation
orally
orgasm
pegging
pussy
quicky
rape
rimming
suck
tight
wet
young

Page 1

Sheetl

anal
backyard
bbbj
back door
bare back
blow
blow job
blow pop
bukkake
cum
ccbj
cim
cock
cunt
daty
deep throat
doggie style
double penetration
fs
foreign languages
fuck
full service
full release
greek
holes
half and half
happy ending
head
horny
lingam
lolli
manual end
milking
msog
multi pops
oral
oral exam
oral expert
oral fixation
orally
orgasm
pegging
pussy
quicky
rape
rimming
suck
tight
wet
young

Page 1

100.00%

1,004,822,168

Total Adult

## Category Overview – Adult

- Backpage possesses the most popular adult online classified site on the internet
- Backpage uses the Adult categories to drive traffic to other categories
- Listings for female escorts represent the vast majority (approximately 80%) of the category's total

## Pageviews Month of May 2011 Pageviews by Sub-Category

Sub-Category	*	%
Female Escorts	800,584,310	79.67%
Body Rubs	89,257,296	8.88%
Transsexual Escorts	76,215,799	7.59%
Domination	11,270,311	1.12%
Male Escorts	3,636,899	0.36%
Strippers	2,496,346	0.25%
Adult Jobs	2,254,129	0.22%
Datelines	725,747	0.07%
Fetish	489,806	0.05%
General Adult Category	17,891,525	1.78%



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140%

